

**HOUSING AUTHORITY
OF THE
CITY OF LOS ANGELES**



**SECTION 8
ADMINISTRATIVE PLAN**

Volume 1

Chapters 1 through 12

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**HOUSING AUTHORITY OF THE CITY OF LOS ANGELES
SECTION 8 ADMINISTRATIVE PLAN**

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Chapter 1 GENERAL OBJECTIVES AND ORGANIZATION

The “HACLA,” as used within this Administrative Plan, refers to the Housing Authority of the City of Los Angeles, and specifically to the staff of the Section 8 Department responsible for administering the Section 8 and other assisted housing programs described within this Administrative Plan. Specific actions, powers or determinations which are reserved to the Housing Authority’s Board of Commissioners, President and CEO or other specific staff members are so indicated in this Administrative Plan. This Administrative Plan has been approved by the HACLA’s Board of Commissioners and becomes effective on the date of its approval.

1.1 What the Administrative Plan Covers

The Section 8 Administrative Plan establishes local policies for administration of the Section 8 program and other assisted housing programs as may be approved by Congress in accordance with HUD requirements. The Administrative Plan and any revisions of the Plan must be formally adopted by the HACLA Board of Commissioners. The Administrative Plan states the HACLA policy on 1) matters for which the HACLA has discretion to establish local policies, and 2) matters specifically required by HUD to be treated in the Plan.

When there are declared disasters or emergencies, whether due to natural calamity (e.g., earthquake), civil disturbance, public health emergencies, or any other cause recognized by the Local, State or Federal government, the Section 8 Program can adjust program operations where necessary to prioritize mission critical functions when normal operations are restricted and severely constrained, except for requirements related to fair housing, nondiscrimination, and waiting list administration. This temporary administrative relief will provide alternative approaches to various aspects of the Section 8 Program operations to perform critical functions including, but not limited to issuing vouchers, conducting voucher briefings, processing Requests for Tenancy Approvals (RFTAs), processing requests for portability moves, processing minimum rent hardship exemptions, completing reexaminations for participants who have experienced a decrease in income, and inspecting assisted units. These alternative requirements will be available until the Local, State or Federal emergency expires.

1.2 Relation to the Agency Plan

The Section 8 Administrative Plan is a supporting document of the HACLA’s Agency Plan and some sections of the Plan provide information required by the Agency Plan. The Section 8 Administrative Plan must be available for public review.

The Section 8 Administrative Plan is developed in accordance with Section 8 and

other Federal regulations and also serves as the policy document for managing rental housing assistance funds provided by HUD and other programs as may be developed by Congress to provide rental assistance.

1.3 Relationship of the Section 8 Administrative Plan to Regulations

The Section 8 Administrative Plan may be superseded by applicable published Rules, Notices or Directives, and/or changes in applicable laws or regulations. Unless otherwise required by applicable Rules, Notices, Directives or changed law and/or regulation, required revisions will be accomplished at the time of preparation of the next Agency Plan.

1.4 Significant Amendments to the Plan

Only changes to the Section 8 Administrative Plan which treat admission policies, local preferences and organization of the waiting list (contained in Chapter 5), screening policy (contained in Chapters 5 and 13), and termination policy (contained in Chapter 13) are considered significant amendments to the Agency Plan. The following actions, therefore, are not considered to be a significant amendment to the Agency Plan:

- 1) Actions of the HACLA Board of Commissioners to add or delete programs or funding which are discretionary to the HACLA as long as HUD requirements are met;
- 2) Actions of the HACLA necessary to compete for, or to become or remain eligible for, funding or funding sources including, but not limited to, creating, publishing, evaluating and accepting requests for proposals, and preparing and executing any Memorandum of Understanding or any contract approved by the Board of Commissioners;
- 3) Decisions by the HACLA Board of Commissioners to open or close application periods for the waiting list.
- 4) Changes to the voucher payment standards;
- 5) Changes to the subsidy standards
- 6) Changes to the utility allowance schedule;
- 7) Changes to the City residency requirement as it applies to applicant families seeking to exercise portability;
- 8) Any action necessary to come into or remain in compliance with published rule changes; HUD or other Federal Directives or Notices; Federal, State and local law.

1.5 How the Section 8 Administrative Plan Is Changed

The Section 8 Administrative Plan may be changed, in whole or in part:

- 1) By direct Board action, at a duly noticed public meeting;
- 2) By inclusion with changes to the annual Agency Plan as approved by the Board of Commissioners at a duly noticed public meeting; and/or
- 3) By administrative updates as may be required due to changes in regulatory requirements or applicable laws.

Insofar as possible, revisions and additions are published to coincide with published changes in the HACLA's annual Agency Plan.

1.6 Addition of Programs

By its approval of any HACLA action and/or resolution to apply for, participate in or extend its participation in any program, including but not limited to, programs offered by HUD, the HACLA Board of Commissioners thereby incorporates any applicable HACLA policies and procedures as may be required by participation in the program (and as may be approved by the Board) into the Section 8 Administrative Plan as if they were originally set forth herein. Specifics on the program will be added to the Section 8 Administrative Plan at the next scheduled revision.

1.7 Relationship of the Section 8 Administrative Plan to HACLA Memos and Directives

The Section 8 Administrative Plan contains the approved policy for administration of the Section 8 and other assisted housing programs indicated herein.

In case of any conflict between the provisions of the Section 8 Administrative Plan and any policy or procedure memos, or any other written or oral directives issued to Section 8 staff, the requirements of this Plan shall control.

[However, see Section 1.3, *Relationship of the Section 8 Administrative Plan to Regulations*, above.]

1.8 Objectives of the Section 8 Program

In the City of Los Angeles, the Housing Authority of the City of Los Angeles (HACLA) is the primary agency mandated to make available to the City's low income population housing that is affordable, decent, safe, and sanitary. To carry out this mandate, the HACLA administers the Housing Assistance Payments Program (Section 8 Program), Public Housing Program and other programs. Most of these programs are funded by

Chapter 1: GENERAL OBJECTIVES AND ORGANIZATION

the U.S. Department of Housing and Urban Development (HUD) pursuant to contracts authorized under the U.S. Housing Act of 1937.

The general objectives of the HACLA Section 8 Housing Assistance Payments Program are to provide affordable, decent, safe and sanitary housing for eligible low and very low income families and for those single individuals who are eligible under HUD regulations and to provide those eligible persons greater housing choices and the opportunity to locate housing outside of areas of poverty or racial concentration.

For the Permanent Supportive Housing Projects, the HACLA will consider the following funding principles:

- 1) Projects must be located in the City of Los Angeles.
- 2) Projects must serve extremely low income (30% of median) and very low income (50% of median) clients.
- 3) Projects must serve homeless/mid-acuity and chronically homeless/high-acuity clients as ranked by the community's Coordinated Entry System (CES) or an alternate, equivalent comprehensive assessment system approved by the HACLA, which must be utilized to fill a majority of project initial and turnover vacancies.
- 4) Projects must serve special needs disabled individuals, families, transition age youth (TAY), seniors and/or veterans.
- 5) Projects must provide supportive services to all clients and submit a Supportive Services Plan detailing the services to be provided to be reviewed by the HACLA and other government partners.
- 6) Projects must submit a Management Plan outlining outreach, use of the CES and ongoing property management procedures.
- 7) Projects must be new construction or rehabilitation projects.
- 8) Projects must have a high degree of readiness, which at a minimum would include site control and a financial plan for all pre-development and construction costs and permanent financing.
- 9) Projects, to the greatest extent possible, should leverage funding from other public and private sources willing to offer capital and supportive services funding for supportive housing.
- 10) Projects should not contribute to a net loss of affordable housing units through the displacement of moderate or low-income residents.
- 11) Projects must meet all HUD program requirements.

It is the policy of the HACLA whenever possible to use any available automated processes, communications or technology that reduces administrative burdens or costs, improves the quality or increases efficiency of the services provided by the Authority including but not limited to communications with the public, owners, applicants or participants.

1.9 General Organization of the Housing Authority

A Board of Commissioners, appointed by the Mayor and approved by the Los Angeles City Council, comprised of seven members representing the City of Los Angeles' business and community leaders and HACLA tenants, governs the operations and defines the general policy directions of HACLA.

The President and CEO is responsible for HACLA's overall program and personnel administration.

Chapter 1: GENERAL OBJECTIVES AND ORGANIZATION

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Chapter 2 EQUAL OPPORTUNITY HOUSING PLAN

HACLA complies with all requirements imposed by local, State and Federal Fair Housing Laws and does not discriminate, on account of race, color, sex, religion (creed), disability, familial status, national origin, ancestry, sexual orientation, marital status, source of income, age, military or veteran status in the sale, leasing, rental or other disposition of housing or related facilities (including land) included in any project or in the use or occupancy thereof, nor does it deny to any family the opportunity to apply for such housing or for assistance under its Section 8 or other assisted housing programs, nor does it deny to any eligible applicant the opportunity to lease or rent any dwelling in any such housing suitable to its needs or to receive the benefits of housing assistance.

In administering its programs HACLA does not utilize criteria or methods of administration which have the effect of discriminating against persons on the basis of their race, color, sex, religion (creed), disability, familial status, national origin, ancestry, sexual orientation, marital status, source of income, or age. HACLA does not take any action which defeats or impairs the availability of a HUD-financed program or activity with respect to any persons on the basis of their race, color, sex, religion (creed), disability, familial status, national origin, ancestry, sexual orientation, marital status, source of income, age, military or veteran status.

2.1.Objective I: Promoting Greater Housing Opportunities Outside Areas of High-Poverty and Racial Concentration

2.1.1. Owner Outreach Media Campaign

To encourage property owners to participate in the Section 8 and other assisted housing programs, HACLA:

1. Issues public service announcements to radio and television stations in the Los Angeles area;
2. Places notices in major and community newspapers and publications;
3. Develops, packages and circulates its Section 8 Owner Information brochure to realty groups, owners' associations, property management companies and city council offices; and
4. Publishes the monthly Section 8 Owner Newsletter and distributes it to current and targeted owners.

2.1.2. Supplemental Owner Outreach Programs

In order to encourage the participation of owners of units located outside high-poverty or minority areas, the HACLA undertakes the following activities in addition to those mentioned in Section 2.2.1:

1. Contacts real estate brokers, property management companies, city council offices and owners' associations on a continuing basis;
2. Conducts regular owner orientation meetings;
3. Accepts public speaking engagements before owners' associations and community based organizations;
4. Solicits and maintains listings of available rental units throughout the City;
5. Maintains a web page on the Internet at www.hacla.org; and
6. Maintains an Owner Outreach and Services Unit which is responsible for implementing the HACLA's owner outreach and information programs and for disseminating equal opportunity requirements and guidelines.

2.1.3. Briefing of Families With Tenant-based Assistance

Information on Federal, State and local Fair Housing Laws is provided to families receiving tenant-based assistance in the orientation packet. Families are briefed about their Fair Housing rights during the tenant-based orientation sessions, and copies of Form HUD-903, *HUD Housing Discrimination Complaint*, are included in the orientation packets.

2.1.4. Community Characteristics

Information on the locations and characteristics of the communities and neighborhoods within the boundaries of the City of Los Angeles is provided to families receiving tenant-based assistance to enable them to seek housing outside areas of racial concentration or high poverty and to promote the broadest geographical choice in the selection of units.

2.1.5. Housing Search Assistance

The HACLA maintains listings of rental units throughout the City which are available for its families receiving tenant-based assistance. The listings provide information on the location, size, and amenities of the units and accessibility for

the disabled. If they sign a release, the HACLA refers the names and phone numbers of holders of active vouchers to owners with vacant units.

Families receiving tenant-based assistance attend an orientation session in which they are given advice in other housing search techniques such as the use of classified ads, telephone rental lines, and other means of locating units. They may also be referred to community agencies that assist families in locating available housing.

2.1.6. Portability

Tenant-based participants are advised that they may seek housing anywhere within the Los Angeles City limits or, through the portability feature, in operating areas of other PHAs throughout the United States consistent with program guidelines and in accordance with this Administrative Plan. [See Chapter 8, *Portability*, of this Administrative Plan.]

2.2. Objective II: Ensuring Equal Opportunity to Applicants for Section 8 and Other Assisted Housing Programs

The HACLA ensures that there is no discrimination against families because of race, color, sex, religion (creed), disability, familial status, national origin, ancestry, sexual orientation, marital status, source of income, age, medical condition, genetic information, gender, gender expression or gender identity. In addition, no person is excluded from participation in or is denied the benefits of any program operated by the HACLA because of membership in a class such as unmarried mothers, recipients of public assistance, etc.

[For the HACLA policy on applications, and referrals see Chapter 3, *Applications, Referrals and Programs*. For the HACLA policy on preferences and managing the waiting list see Chapter 5, *Managing the Applicant Waiting List*.]

2.3. Objective III: Assisting Families That Encounter Discrimination

Applicants for and participants in the HACLA's assisted housing programs who encounter discrimination in the exercise of their rights under Federal, State or local laws are given assistance in addressing discrimination complaints. Designated HACLA staff attempt to resolve the discrimination complaint by:

1. Interviewing the person making the complaint;
2. Determining whether the complaint is against the HACLA or against another party;
3. Explaining any HACLA policy or procedure which may have been

Chapter 2: EQUAL OPPORTUNITY HOUSING PLAN

misunderstood by the complainant;

4. Resolving the complaint in accordance with HACLA policy and procedure and HUD regulations and taking steps to ensure that any violation of policy or procedure is not repeated;
5. Advising, in the case of complaints against other parties, any property owners in a New Construction, Moderate Rehabilitation or Project-based program of possible programmatic consequences if such discrimination has occurred;
6. Facilitating the filing of the form HUD-903, *HUD Housing Discrimination Complaint*;
7. Assisting the family in filing a State Fair Housing Complaint;
8. Enlisting the assistance of the State of California Department of Fair Employment and Housing to resolve complaints when the HACLA is unable to resolve the complaint by internal means; and
9. Extending the term of a voucher if the HACLA determines that discrimination prevented the family from locating a unit.

The HACLA cooperates with HUD Fair Housing staff as requested to resolve any complaints.

2.4. Objective IV: Use of a Local Fair Housing Organization

The HACLA refers clients to local Fair Housing organizations and to Legal Aid for assistance with housing issues and complaints.

2.5. Objective V: Providing Accessibility for Persons With Disabilities

It is the policy of the HACLA to comply fully with the following:

- The Fair Housing Act;
- Section 504 of the Rehabilitation Act of 1973;
- The Americans with Disabilities Act;
- Title VI of the Civil Rights Act of 1964;
- Executive Order 11063 on Equal Opportunity in Housing;
- The Age Discrimination Act of 1975;
- The Violence Against Women Act (VAWA);
- California's Unruh Act; and
- California's Fair Employment and Housing Act.

The HACLA does not discriminate against individuals with disabilities and provides reasonable accommodations to all housing programs and related facilities included under its jurisdiction. The HACLA seeks to identify and eliminate situations or procedures that create a barrier to equal opportunity for all and will make physical and procedural changes in order to reasonably accommodate persons with disabilities.

The HACLA endeavors to ensure that reasonable accommodations are made to persons with disabilities whether applicants or participants by:

1. Advertising the opening of any application period in accordance with the policies expressed above in Chapter 2 of this Administrative Plan;
2. Making available to organizations which service or represent the aged or persons with disabilities application forms for distribution to their clientele;
3. Providing office facilities which meet the requirements of Federal, State and local law with regard to accommodations for persons with disabilities;
4. Providing notice to applicants and participants that they may request reasonable accommodation of the HACLA if a family member is a person with a disability;
5. Allowing the assistance of mechanical or electronic devices by applicants and participants as they may be needed to facilitate communication in interviews;
6. Encouraging families to seek assistance from outside agencies in the completion of forms and documents required by the program;
7. Providing assistance in completing forms and other documents which are required by program regulations;
8. Providing reasonable extensions of time for the completion of program requirements to the extent allowable by HUD regulations;
9. Providing extensions of the terms of vouchers to the extent allowable by program regulations or, if prohibited by the regulations, requesting written approval by HUD for additional extensions to accommodate families containing persons with disabilities;
10. Conducting in-home visits (or, where appropriate, telephone interviews) for persons who are unable to travel to HACLA offices due to medical conditions;
11. Maintaining Telecommunication Devices for the Deaf (TDD) phone services and publicizing their availability;

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12. Providing an American Sign Language interpreter at the request of clients with a hearing impairment;
13. Providing program documents in large font sizes and/or an appropriate meeting or conference room to accommodate a service animal for persons with visual impairments;
14. Providing appropriate signage in Braille at Section 8 offices;
15. Requesting HUD approval of an exception to the Fair Market Rent (FMR) or the Voucher Payment Standard, at the family's request, if a family contains a member with a disability and has a verifiable need to rent an accessible or otherwise appropriate specific unit in a specific area, but only if the unit meets the rent reasonableness requirements of the program;
16. Soliciting information on the accessibility of owners' units to persons with disabilities and providing information on amenities the unit may provide persons with disabilities;
17. Providing a list of accessible units known to the HACLA to families who have indicated the presence of a family member who has a disability;
18. Soliciting the assistance of outside agencies for the provision of services to persons with disabilities and to assist persons with disabilities in meeting the requirements of the Section 8 and other assisted housing programs;
19. Providing to its Section 8 owners information concerning their legal obligations to permit "reasonable modifications" to a rental unit at the participant's expense if the family has a member with a disability and if the modification is necessary for the person with a disability to fully enjoy the unit;
20. Requiring all outside agencies who have agreements or contracts with the HACLA to abide by Federal, State and local laws and ordinances which require accommodation for persons with disabilities and not to reject any applicant or participant on the basis of a disability;
21. Following mandates for affirmative action in personnel policies, practices and procedures as may be required by Federal, State and local law;
22. Providing training to all employees on how to accommodate applicants and participants with disabilities.

2.6. Objective VI: Providing Reasonable Accommodation

The HACLA's general policy on reasonable accommodation is contained in the

Manual of Policy and Procedure, Part 1 Chapter 125.1 which is provided as Appendix 3 to this Administrative Plan.

If the HACLA disapproves a request for a reasonable accommodation, the family must be notified of the reason(s) for disapproval and of its right to request a review.

The family will be provided information regarding how to request a review, including the name of the reviewing staff member who must rank a level above the staff member who made the decision. If the family believes that a decision was made in error, it may provide additional verification of need to appropriate staff when it requests a review of the decision. Reviews may be requested up to the level of Manager.

If the family continues to believe that an unfavorable decision was made in error, it may file an appeal with the HACLA Section 504 Coordinator who will review the case and make a final determination.

2.6.1. Persons with an Obvious and/or Visible Disability

In accordance with the Joint Statement of the Department of Housing and Urban Development and the Department of Justice regarding Reasonable Accommodations under the Fair Housing Act, dated May 17, 2004, and the HACLA's Manual of Policy and Procedure, Part 1 chapter 125, as an alternative to third party certification of a need for reasonable accommodation HACLA supervisory staff holding the position of Assistant Manager or higher may approve a family member's self-certification of a need for a reasonable accommodation but only if:

1. The individual has an obvious and/or visible disability (such as an individual who regularly uses a wheelchair or an individual with a hearing or visual impairment); and
2. The accommodation requested is clearly related to the individual's disability (for example, a mobility-impaired person requests a grab bar or a hearing-impaired person requests a sign language interpreter);

If the supervisor cannot determine whether there is a clear relationship (nexus) between the obvious disability and the need for an accommodation, the relationship (nexus) and need for the accommodation must be verified by a provider/worker.

Supervisory staff must document the file with facts and reasoning to support staff's acceptance of the family member's self-certification. The supervisor's approval of the self-certification (HACLA form S504-04) takes the place of a third party verification of need for the accommodation.

Self-certification shall NOT be used to change or waive lease obligations, to grant an additional bedroom to the family or when a program participant is requesting a modification to a unit under the Section 8 program. The family must have a provider/worker complete a Certification of Need for Reasonable Accommodations in such situations.

2.6.2. General Guidelines for Exception Rents in Excess of the Regular HACLA Payment Standard

Under no circumstances may a family initially rent a unit if the family share will exceed the affordability limits stipulated by HUD. A family may rent a unit with a lower payment standard amount while its request for an exception rent or payment standard is pending so long as the family share does not exceed the affordability limitation. If approval for an exception payment standard is provided after the start date of the HAP Contract, the payment standard is revised effective the first of the month following the date of the final written approval.

2.6.2.1. Exceptions Within the Payment Standard Basic Range:

Approval Authority:

These exceptions may be granted only by a HACLA Manager or a person holding a higher supervisory office. Delegation of this authority to staff lower than the Manager level is prohibited.

General Procedures:

The family must have provided a Request For Tenancy Approval (RFTA) for the unit. The rent for the unit must be reasonable. The family must have at least one member who qualifies as a person with a disability for the purpose of reasonable accommodation and the family must request the exception. The unit must in some specific way accommodate the disability. The need for the accommodation must be attested to by the family's provider/worker either through a letter which addresses the circumstances or through use of the approved HACLA form if no letter is on file.

Grounds for Reasonable Accommodation:

An exception to the payment standard may be granted because of the unit's physical amenities (grab-bars, ramps, special features for the blind), structure (elevator building, ground floor unit), location (near a medical facility, place of treatment, school providing special education, close location to bus lines or other facilities) or because of other circumstances or needs attested to by the provider/worker. The need for the accommodation must be addressed in the HACLA verification form or in the letter completed by the provider/worker.

Who Is Eligible?

Persons are eligible if a member of the family has a disability or handicap as

defined in 24 CFR Part 8: “A person who has a physical or mental impairment that substantially limits one or more major life activities; a person who has a record of such impairment; a person who is regarded as having such an impairment.” Examples of “major life activities” are: caring for one’s self, performing manual tasks, walking, seeing, hearing, speaking, breathing, learning and working.

A person who is 62 years of age or older does not automatically qualify as a person with a disability. A person receiving social security disability or SSI disability payments or who is receiving worker’s compensation would qualify as a person with a disability. However, the unit must confer some benefit which accommodates the specific disability and the need for the accommodation must be verified either by a letter from a provider/worker or completion of the appropriate HACL A verification form by a provider/worker.

2.6.2.2. Exceptions in Excess of the Payment Standard Basic Range

In accordance with PIH Notice 2016-05, issued April 7, 2016, all requests for exception to the payment standard of not more than 120 percent of the FMR must be reviewed and approved by the S8 Director without HUD approval, if required as a reasonable accommodation for a family that includes a person with disabilities.

In accordance with PIH Notice 2013-18, Revision for Requests for Exception Payment Standards for Persons with Disabilities as a Reasonable Accommodation, issued August 1, 2013, approval of exception payment standards may occur only if the family share will exceed 40 percent of the Adjusted Monthly Income (AMI), and the resulting exception payment standard will be premised on the family continuing to pay 40 percent of AMI as the family share. The same Notice provides that exception payment standards remain in effect until and unless a higher exception payment standard is warranted, requested and subsequently approved.

2.6.2.3. Exceptions in Excess of 120% of the FMR

When required due to special circumstances, the HACL A requests approval of a payment standard in excess of 120% of the FMR through the local HUD office. These require a HUD Headquarters waiver of 24 CFR 982.505 (d).

Requests must be approved by the S8 Director. The letter to HUD requesting the waiver is signed by the S8 Director. Processing of these requests is generally handled by a Section 8 ombudsperson.

In accordance with PIH Notice 2013-18, Revision for Requests for Exception Payment Standards for Persons with Disabilities as a Reasonable

Accommodation, issued August 1, 2013, approval of exception payment standards may occur only if the family share will exceed 40 percent of the Adjusted Monthly Income (AMI) and the resulting exception payment standard will be premised on the family continuing to pay 40 percent of AMI as the family share. The same Notice provides that exception payment standards remain in effect until and unless a higher exception payment standard is warranted, requested and subsequently approved.

Annual increases in these payment standards are treated in Section 10.9, Changing the Voucher Payment Standard, of this Administrative Plan.

2.6.2.4. Payment Standard Exceptions During the Contract Term

During the term of a HAP Contract, the HACLA may provide, at the request of a family that contains a person with a disability, an exception to the payment standard to allow the unit to remain affordable to the family so long as the unit provides an accommodation for the disability which has been attested to by the family's provider/worker. In accordance with the HACLA Manual of Policy and Procedure Chapter 125:1, Nondiscrimination on the Basis of Disability and Reasonable Accommodation Policy and Procedures, Appendix 3 of this Administrative Plan, the applicant request can be oral or written. The approval must be in writing. The request for exception need not be coincidental with an increase in the rent to owner. The exception cannot be retroactive and cannot take effect until after the date of the HACLA's (or HUD's) written approval.

2.6.3. Reinstatement to the Waiting List

To be eligible for reinstatement, the family must demonstrate that the disability of the family member was a cause of the late response or non-response. The person with a disability may or may not be the family head depending on the circumstances.

The family does not specifically have to request a return to the waiting list; it must merely in some way indicate that the family did not respond to the request for information or update because of a family member's disability. Nevertheless, the burden of proof that the disability of the family member caused the failure to respond lies with the family.

A family which includes a person with a disability may generally be returned to the waiting list regardless of the amount of time the family may have spent in a "withdrawn" status. However, since regulations require the HACLA to maintain application records for only three years after the HACLA has determined an applicant to be ineligible, the HACLA shall consider any request for accommodation and reinstatement to the waiting list to be unreasonable if the request is made more than 3 years after the family has been withdrawn. Under

such circumstances the request for accommodation shall be denied.

2.6.4. Extension of the Voucher Term

In accordance with Chapter 10 of this Administrative Plan, to be eligible for additional extensions of the term of the voucher, the family must demonstrate that the disability of a family member is a cause of the family's inability to locate acceptable housing. The disability may be, or have been, a temporary disability including pregnancy. The person with a disability may or may not be the family head depending on the circumstances.

2.6.5. Denials and Terminations - HACLA Discretion To Consider Circumstances

In determining whether to deny admission or terminate assistance because of action or failure to act by members of the family, the HACLA may consider mitigating circumstances relating to the disability of a family member and the effects of denial or termination of assistance on other family members who were not involved in the action or failure to act.

If the family includes a person with a disability, the HACLA decision concerning termination or denial is subject to consideration of reasonable accommodation in accordance with 24 CFR Part 8.

Notwithstanding the above, the HACLA may impose, as a condition of continued assistance for certain family members, a requirement that other family members who participated in or were culpable for any action or inaction which provides the grounds for termination or denial will not reside in the unit. The HACLA may, at its sole discretion, permit the other (non-culpable) members of a participant family to obtain or continue receiving assistance.

[See also Section 5.30, *Reasonable Accommodation*, for applicants who fail to appear, respond, or provide information due to the disability of a family member; Section 13.8.1.2, *Reasonable Accommodation and Moves During the First Year of the Lease*, for cases in which the landlord fails to provide reasonable accommodations; Section 13.1, *HACLA Discretion to Consider Circumstances*. See the HACLA Manual of Policy and Procedure Chapter 125:1, *Nondiscrimination on the Basis of Disability and Reasonable Accommodation Policy and Procedures*, Appendix 3 of this Administrative Plan, for additional information on reasonable accommodation.]

2.6.6. Re-verifying the Need for Reasonable Accommodations

Once the need for a reasonable accommodation has been verified staff does not re-verify the need except when there is another change in circumstances.

Examples, include but are not limited to:

- A disabled person leaves the household,
- A family member listed as disabled can no longer verify s/he is disabled,
- At inspection no medical equipment is observed in an additional room granted as an accommodation to store or use the equipment,
- The provider/worker approving a need for a live-in aide or other reasonable accommodation has indicated that the need or the disability will be of short duration,
- The family member loses his/her disabled status, for example when a person on State disability returns to work.
- The live-in aide fails to appear at the HACLA office at the family's annual reexamination or fails to meet other HACLA requirements for a live-in aide. [See Section 6.12, Live-in Aide, of this Administrative Plan.]

2.6.7. Resolving Complaints Regarding Reasonable Accommodation

Complaints or issues regarding the provision of reasonable accommodation for a person with a disability which are not resolved by Section 8 staff are referred to the HACLA's Accessibility Coordinator who provides a preliminary review, conducts investigations, resolves complaints and issues determinations in accordance with procedures set forth in the HACLA Manual of Policy and Procedure, Chapter 125:1, *Nondiscrimination on the Basis of Disability and Reasonable Accommodation Policy and Procedures*. [See Appendix 3 of this Administrative Plan.]

The Accessibility Coordinator maintains the files and records of the HACLA relating to any complaints filed under the Fair Housing Act, Section 504 of the Rehabilitation Act of 1973, and the Americans with Disabilities Act.

2.7. Objective VII: Expanding Housing Opportunities

HACLA discusses with the family the benefits of living in areas of low poverty and low minority concentration when providing vouchers and extensions.

To encourage the participation of owners of units located outside areas of poverty and minority concentration in the tenant-based program, the HACLA takes the following actions:

1. Annually reviews the proposed FMRs published by HUD and estimates whether, based on facts on the ground, the FMR may be set too low for the HACLA jurisdiction.
5. At least annually, reviews its voucher payment standards to assure they are adequate and reviews current HUD guidance regarding payment standards to determine actions available to establish appropriate payment standards.

6. Publicizes to Section 8 owners and tenant-based participants all areas of the City for which exception voucher payment standards have been approved.
7. Includes in its owner briefings and owner orientation sessions information on areas of the City which have exception voucher payment standards or rent standards.
8. Assists in the retention, to the extent possible, of housing which has provided Federal rental subsidies outside of areas of minority and poverty concentration by participating in HUD's preservation program which provides enhanced vouchers for families affected by owner prepayment of HUD mortgages and owner opt-outs of project-based properties; and encourages those owners to actively participate in the tenant-based program.
9. Accepts and solicits invitations to explain the Housing Choice Voucher Program to owners, Realtors, landlords and management companies with properties located outside of areas of poverty and minority concentration.
10. Provides voucher holders a list of portability offices for neighboring PHAs which includes the names & phone numbers of contact persons.

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Chapter 3 APPLICATIONS, REFERRALS AND PROGRAMS

For information on waiting lists, preferences, and removal from the waiting list see Chapter 5, *Managing the Applicant Waiting List*. For information on denials see Chapter 13, *Terminations and Denials*.

3.1 Open Application Periods

The Section 8 Department determines when the HACLA will receive applications for its housing choice voucher and limited preference, as identified in Section 5.17.1, Priority 1 Preference –Special Programs and Other Referrals, of this Administrative Plan, waiting list. The Section 8 Department may open applications for a limited period of time or for an indefinite (extended) period. Such actions shall not be considered significant amendments to the Section 8 Administrative Plan.

If the waiting list is closed and applicant families currently on the housing choice voucher waiting list do not qualify for any limited preference, HACLA will open the waiting list only to applicants who qualify for the limited preference(s) as identified in Section 5.17.1, Priority 1 Preference –Special Programs and Other Referrals, of this Administrative Plan, to ensure full utilization of HACLA's housing assistance programs. These provisions apply to the following limited preferences:

- Homeless Program, as identified in Section 3.2.1.2.3 of this Administrative Plan.
- Tenant-Based Supportive Housing Program, as identified in Section 3.2.1.2.11 of this Administrative Plan.
- Homeless Veterans Initiative, as identified in Section 3.2.1.2.14 of this Administrative Plan
- Continuum of Care Referral to the Housing Choice Voucher Program.
- Mobility Demonstration Voucher, as identified in Section 3.2.1.2.15 of this Administrative Plan

3.1.1 Previous Waiting Lists

In general, the HACLA will service all applicants on an existing waiting list before providing service to any applicant on a subsequent waiting list. Applications from a newer waiting list shall not be merged with applications from an existing waiting list nor shall applicants with preferences on a newer waiting list be serviced until all applicants on the existing waiting list, preferenced and non-preferenced, have been exhausted.

3.1.2 General Application Requirements

Applications must provide for the collection of the information required by HUD at 24 CFR 982.204 and other key information which includes:

- The head of household's name, address, phone number, social security

- number and date of birth,
- The spouse/co-head's (if any) name, address, phone number, social security number and date of birth,
- Whether the head, spouse/co-head is disabled,
- The racial and ethnic designation of the head of household,
- The veteran status of the applicant family,
- The number of persons expected to reside in the assisted unit,
- The total gross income of all persons expected to reside in the unit,
- The primary language spoken by the family,
- Whether the family believes it qualifies for any HACLA local preference.
- Date and time the HACLA receives the application.

3.1.3 Application Made by a Minor

Only complete applications submitted by persons age 18 and older at the time the application is submitted or by persons who are emancipated minors at the time the application is submitted will be added to the waiting list.

Applications submitted by minors who do not demonstrate emancipation will be withdrawn and a notice of withdrawal that provides the opportunity for an informal review will be mailed to the applicant. Emancipated minors must submit proof of emancipation at the time of application or at the informal review.

3.1.4 Methods of Intake

After consultation with the HACLA Board of Commissioners, the President and CEO and the Section 8 Director shall identify methods of application intake (mail, Internet, FAX, call center, etc.) and the dates during which applications will be taken.

3.1.5 Designating Open Application Periods

Application periods may be limited to a certain number of days, to a certain number of applications, or may be unlimited.

If a lottery system is to be used, the Section 8 Director may specify the number of days during which applications for the lottery will be accepted.

The application period may, at the discretion of the Section 8 Director, continue beyond the intake period designated for a lottery.

3.1.6 Preparation for Open Applications

The Section 8 Director will identify all resources needed to support the opening of the waiting list. These activities include outreach, application intake, creation of the waiting list and applicant notification. After identifying available resources to

support the opening of the list, the Section 8 Director shall develop a schedule for completion of key tasks related to each activity. Resources may include use of an outside vendor to conduct the application process.

3.1.7 Public Outreach

The opening of applications for the Section 8 waiting list will be publicized in accordance with 24 CFR 982.206 (a).

3.1.8 Application Intake, Ordering and Storage

All applications received will be date and time stamped physically or electronically and will be entered into a secure data base in date and time order and sortable by claimed preference (if any) and other parameters.

If applications received are to be subject to a lottery, the ordering determined by the lottery process must be converted into a date and time format with the highest ranking applicant receiving the earliest date and time rank in the waiting list data base.

3.1.9 Internet Applications

If the Section 8 Director authorizes intake of applications through the Internet, the intake software must provide the applicant with the capability to print a record of the family's application once the application data has been submitted.

3.1.10 Identification Number

The HACLA shall assign each applicant head of household a unique identification number (Entity ID) for tracking purposes regardless of the method of application. The number is not related to the applicant's rank or placement on the waiting list.

3.1.11 Review of Applications - Key Fields

Applications shall be reviewed to determine that all key fields have been completed.

Key fields are: first and last name of head of household and social security number or date of birth of the head of household.

Applications received will be sorted and alphabetized into four groups:

- Complete applications (those having key fields completed),
- Incomplete applications sorted according to missing key field information,
- Illegible applications,
- Applications received after the application deadline.

Applications received after the application deadline will not be added to the waiting list.

Applications shall receive a status code which, for incomplete applications, identifies the key field(s) for which data is missing.

3.1.12 Data Conversion

All applications data will be converted to an electronic format compatible with the HACLA's business system. The data will be stored in a secure password-protected application database accessible only by essential HACLA or contractor staff.

3.1.13 Data Entry into the HACLA Waiting List Database

The Section 8 Director will determine how applications that are not complete will be processed and resolved. In making the determination the Director will consider:

- The number of incomplete and illegible applications,
- The number and types of key-field information missing,
- The scope of work agreed to by a contractor (if any),
- HACLA staff availability,
- Associated costs and staff time required to resolve problems,
- Other needs of the HACLA.

3.1.14 Notification of Successful Applicants

The HACLA (or the contractor) will notify persons who submitted complete applications during the open application period that their application has been received and processed and that they have received a place on the waiting list. The notification will advise the family to safeguard this notice until the family has actually been called for an interview.

The notification will also advise the family if it appears to be eligible for any preference based on the information provided on the application and how to apply for a preference.

The notification shall also advise the family that it is their obligation to keep the HACLA advised of any change of address while the family remains on the waiting list, and the notification will provide the family with an appropriate means for reporting such changes.

3.1.15 Resolving Incomplete and Illegible Applications

When the Section 8 Director has determined how incomplete and illegible applications will be resolved, the HACLA (or the contractor) will attempt to make contact with those applicants to advise them of their status and how their status may be resolved. Copies of such correspondence or any phone contacts attempted shall be made a part of the applicant's electronic and physical file.

Physical files shall be stored alphabetically. Applications with illegible names shall be grouped together and stored by social security number.

Only applications whose incomplete or illegible status is resolved will be placed on the official waiting list.

The HACLA shall maintain a separate database for the remainder of applications whose incomplete or illegible status cannot be resolved. This separate database must be sortable by various data fields.

3.1.16 Duplicate Applications

An applicant may not have more than one active application on the Section 8 Housing Choice Voucher tenant-based waiting list.

If an applicant as head of household has submitted two or more applications and the HACLA is NOT using a lottery to order the waiting list, the application with the earliest recorded date and time of application will be entered into the waiting list and all other applications will be withdrawn without notice to the family.

If the HACLA is using a lottery and the discovery of a duplicate application is made before the lottery is conducted, the application with the earliest recorded date and time of application will be placed into the lottery and all other applications will be removed from the lottery and withdrawn without notice to the family.

If the HACLA is using a lottery and the discovery of a duplicate application is made after the lottery has been conducted, only the application with the earliest recorded date and time of application will be placed on the waiting list and all other applications will be removed from the waiting list and withdrawn without notice to the family even though those applications may have received a lottery placement higher than the application with the earliest recorded application date.

3.1.17 Certification of the Waiting List

After the HACLA or its contractor has developed a preliminary electronic copy of the waiting list, the Section 8 Director, or their designees, shall review the list data and conduct a quality control review of a representative number of list records by checking the database information against actual application forms.

Findings of this quality control review must be documented and provided to the President and CEO. The findings must contain a recommendation for approval or disapproval of the waiting list as constituted and, if approval is recommended, a certification signed by the Section 8 Director that the list has been determined to meet the HACLA's standards for accuracy.

3.1.18 Documentation of Application Intake Activities

The Section 8 Director shall maintain a summary of all application intake activities in a permanent master waiting list activity file. The file shall document all the activities of HACLA staff and any contractors involved in the publication of the opening of the application period, outreach activities, intake and processing of applications including any randomization (lottery action), and all other activities leading to the creation of the final waiting list. The file shall include sample copies of application and instruction forms, notices sent to stakeholders and public officials, published public notices in outreach languages, forms and letters used to notify families of their successful placement on the waiting list or of unsuccessful attempts to apply due to late receipt of applications or due to incomplete or illegible applications. The file shall also contain the findings of the Section 8 Director on the accuracy of the waiting list data.

3.2 Referrals to the Waiting List

Families are added to the Housing Choice Voucher waiting list by referral in the following circumstances.

3.2.1 Referrals to Special Programs

The HACLA operates a number of programs which serve special populations, special needs or which were designed for special purposes. For these populations and programs, applicants are generated by referral from various community organizations or divisions of local government which are under a Memorandum of Understanding (MOU) or a Contract with the HACLA in accordance with program regulations.

Referred families who meet program requirements are added to the waiting list and are provided a local preference of Priority 1. [See Section 5.17, *Local Preferences*, of this Administrative Plan.]

If an agency, organization or unit of local government is not meeting its full commitment for referrals to any Special Program, the HACLA may canvass its waiting list (by date and time of application) for families that are potentially eligible for the Special Program and refer these families to the CBO/NPO or unit of local government for their action. Referrals are made in the date and time order in which the HACLA receives the family's response to the canvassing. If the response from families on the waiting list is insufficient, the HACLA may canvass members of the

application pool in order of their application number.

The HACLA operates the following Special Programs using its Section 8 waiting list.

3.2.1.1 Project-based Programs

In project-based programs, rental assistance is paid for families who live in specific housing developments or units. The rental subsidy is tied to the unit.

3.2.1.1.1 Moderate Rehabilitation Program

Congress no longer allocates funding for new Moderate Rehabilitation projects. The program objectives were to upgrade substandard rental housing and to provide rental subsidies for low income families. By entering into housing assistance payments contracts for 15 years, owners were enabled to take advantage of favorable financing through local lending institutions or other sources acceptable to HUD.

If HACLA is unable to refer a sufficient number of applicants from its waiting list within 30 days of a notification of vacancy, the owner may refer an applicant on its waiting list to HACLA for determination of eligibility. To this end, owners still under contract with Section 8 may maintain their own waiting lists monitored by HACLA.

Upon the written recommendation of the owner, eligible families with no or very low supportive service needs may be referred to HACLA for placement on the Section 8 tenant-based waiting list with a local preference of Priority 1. Such families become subject to the screening requirements for criminal history of the tenant-based program in accordance with Section 5.20, PBA, MRP, MRP-SRO, HOPWA and Tenant-based Section 8 Screening. Placement on the waiting list is at the sole discretion of HACLA and is subject to the following:

1. The family agrees with the Owner's recommendation, understands the nature of the tenant-based program, and provides a written request for Housing Choice Voucher assistance.
2. The family is a low income family and otherwise eligible for the Housing Choice Voucher Program.
3. The family has received assistance under the Moderate Rehabilitation Program for at least two years.
4. The family is currently in compliance with Moderate Rehabilitation Program regulations.
5. The family is in compliance with the family's current lease, including, but not limited to, paying their rent on time each month.
6. The Owner's performance has been satisfactory to HACLA.

3.2.1.1.2 Permanent Supportive Housing Program (PSHP) – Project Based Voucher (PBV) Project

The Permanent Supportive Housing Program (PSHP) is a collaborative effort between HACLA and the Los Angeles Housing and Community Investment Department (HCID) (formerly Los Angeles Housing Department) to assist in the provision of supportive housing for the homeless population of the City of Los Angeles through a joint Notice of Funding Availability for qualified housing providers. The HACLA develops a Request for Proposals for Project-based Voucher Assistance (See Section 3.2.1.1.4 below.). The HACLA Board of Commissioners allocates a number of vouchers to be provided for the PSHP.

Although proposers must always meet the requirements of 24 CFR Part 983, the Board of Commissioners may establish policy priorities in addition to the requirements of Chapter 16, Special Procedures for the Project-based Assistance Programs.

In accordance with HUD's guidance and technical assistance PSHP-PBV projects use the Coordinated Entry System to fill at least four out of five vacancies for those units designated for homeless or chronically homeless applicants per the requirements of the NOFA under which the project applied and was awarded PSHP-PBV. Alternate, equivalent comprehensive assessment systems, including but not limited to, the Department of Health Services internal assessment or the 10th decile triage tool, may also be used with approval of the HACLA. [For additional information on PSHP-PBV waiting lists see Section 17.32, Waiting List, of this Administrative Plan].

3.2.1.1.3 Project-based Voucher (PBV) Program

The HACLA may select owner proposals to provide project-based voucher assistance for up to 20 percent of the units allocated to the HACLA in the voucher program. All PBV units for which the HACLA has issued a notice of proposal selection or which are under an Agreement to Enter into a HAP Contract (AHAP) or HAP contract are counted against this 20 percent maximum.

The Housing Authority may project-base an additional 10 percent of its units above the 20 percent program limit, provided those additional units fall into one of the following categories:

- (1) The units are specifically made available to house individuals and families that meet the definition of homeless under section 103 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11302), and contained in the Continuum of Care Interim Rule at 24 CFR 578.3.

(2) The units are specifically made available to house families that are comprised of or include a veteran. A veteran is an individual who has served in the United States armed forces. The PHA may further define “veteran” for purposes of determining if the units are eligible for this exception. For example, the PHA could require that the veteran must be eligible to receive supportive services from the Department of Veterans Affairs or require that the veteran was not dishonorably discharged.

(3) The units provide supportive housing to persons with disabilities or to elderly persons. The definitions of a person with disabilities and an elderly person are found at 24 CFR 5.403. Supportive housing means that the project makes supportive services available for all of the assisted families in the project and provides a range of services tailored to the needs of the residents occupying such housing. Such services may include (but are not limited to):

(A) meal service adequate to meet nutritional need,

(B) housekeeping aid,

(C) personal assistance,

(D) transportation services;

(E) health-related services;

(F) educational and employment services; or

(G) other services designed to help the recipient live in the community as independently as possible.

(4) The units are located in a census tract with a poverty rate of 20 percent or less, as determined in the most recent American Community Survey 5-Year Estimates.

Policies dealing with the selection of proposals and other PBV policies may be found in Chapter 16, *Special Procedures for the Project-Based (PBA) Assistance Programs*, of this Administrative Plan.

The HACLA maintains a PBV waiting list to refer eligible families to the owner. The owner may refer families to the HACLA for determination of eligibility if the HACLA does not refer a sufficient number of families to the owner within 30 days of an owner notice of vacancy.

In the project-based voucher (PBV) program, the participating family may move from the project-based unit and receive continued tenant-based assistance after the first year of the lease.

3.2.1.2 Tenant-based Programs

In tenant-based programs, the rental assistance is not attached to the structure but to the family. The eligible family selects the rental unit. As long as the family abides by the overall program regulations, the family is eligible for continued assistance after moving.

3.2.1.2.1 Non-Elderly and Disabled Vouchers

On August 2011, HUD consolidated housing choice vouchers awarded to HACLA since 1997 under the One Year Mainstream, Certain Development, and Designated Housing.

For HACLA these awards represented Fair Share Voucher allocations. The sum of these awards was consolidated to represent the baseline number of Non-Elderly and Disabled vouchers.

The HACLA may select qualified disabled families from its waiting list according to the date and time of the family's application. The HACLA may also enter into a Memorandum of Understanding or a Contract with referral agencies. The HACLA is responsible for determining the family's eligibility for housing assistance in accordance with the terms of HUD's NED NOFA, ACC and regulations.

Families which meet the qualifications of this targeted class may receive vouchers sooner than non-targeted families because of their Priority 1 preference status. (See Section 5.17.1, Priority 1 Preference – Special Programs and Other Referrals, of this Administrative Plan.)

3.2.1.2.2 Family Unification Program (FUP)

The Family Unification Program provides housing assistance to income eligible families for whom the lack of adequate housing is a primary factor in the separation or imminent separation of children from their families. Youths at least 18 years old and not more than 21 years old (have not reached their 22nd birthday) who left foster care at age 16 or older and who do not have adequate housing are also eligible to receive housing assistance under the FUP.

Applicants are certified and referred by the Los Angeles County Department of Children and Family Services (DCFS) or by entities designated by the DCFS. The number of slots for the FUP is limited by the amount of funding specifically allocated by HUD.

For vouchers awarded under the Notice of Funding Availability (NOFA) for Fiscal Years (FY) 2017 and 2018 (FUP NOFA for 2017 and 2018), housing assistance will be provided in partnership with Public Child Welfare Agencies (PCWAs) to two groups:

1. Families for whom the lack of adequate housing is a primary factor in the imminent placement of the family's child, or children, in out-of-

home care; or the delay in the discharge of the child, or children, to the family from out-of-home care; and

2. Youth at least 18 years and not more than 24 years of age (have not reached their 25th birthday), who left foster care, or will leave foster care within 90 days, in accordance with a transition plan described in Section 475(5)(H) of the Social Security Act, and are homeless or are at risk of becoming homeless at age 16 or older. As required by statute, a FUP voucher issued to such a youth may only be used to provide housing assistance for the youth for a maximum of 36 months.

For vouchers awarded under any subsequent NOFA, the HACLA follows the eligibility requirements as may be required by participation in the program.

3.2.1.2.3 Homeless Program

This program was designed to support local homeless assistance strategies by providing tenant-based Section 8 assistance to families currently participating in a transition plan administered by Community Based Organizations (CBOs) who have been preselected by the HACLA through an RFP process. Vouchers are made available from existing HUD allocations to the HACLA's Section 8 tenant-based program up to a maximum number authorized by the HACLA Board of Commissioners.

The CBO must make every effort to enroll the head of household of the referred family in the HACLA's Family Self Sufficiency (FSS) Program. CBOs are not required to enroll families in which the head of household is either elderly or a person with a disability, but the CBO must provide on-going case management for these families.

In accordance with HUD's guidance and technical assistance, contracted agencies for this program use the Coordinated Entry System to fill vacancies. Alternate, equivalent comprehensive assessment systems, including but not limited to the Department of Health Services internal assessment or the 10th decile triage tool, may also be used with approval of the HACLA.

3.2.1.2.4 Homeless Prevention Program (HPP)

The HACLA Board of Commissioners sets aside a number of vouchers to provide housing assistance to individuals referred to the HACLA under a Memorandum Of Understanding (MOU) with the Los Angeles County Department of Health Services (DHS). These vouchers are used to provide assisted housing to eligible individuals referred by the DHS who have been

hospitalized and have subsequently lost their housing as a result of chronic illness and/or physical disabilities.

The DHS will utilize its health services system to provide supportive services before and after the individuals or families have been successfully housed.

3.2.1.2.5 HOPE for Elderly Independence Program (HEIP)

This program, authorized by Section 803 of the National Affordable Housing Act, is designed to combine tenant-based rental vouchers with supportive services to frail, elderly people who are currently unsubsidized and who require this combined assistance to avoid premature and unnecessary institutionalization.

The HACLA works with senior services agencies designated by the City of Los Angeles City Department of Aging. These agencies verify program eligibility under the HOPE guidelines, as evaluated by a Professional Assessment Committee, and must provide the needed supportive services to the participant either directly or through referral. Upon determination of eligibility the HACLA issues a voucher to the referred clients.

3.2.1.2.6 Long Term Family Self-Sufficiency (LTFSS) Program

This program is designed to support the Transitional Support for Homeless CalWORKS Families Project (TSHCFP) in cooperation with the Community Development Commission of the County of Los Angeles (lead agency) and the Department of Public Social Services. The HACLA sets aside vouchers by action of the HACLA Board of Commissioners for qualified families moving from publicly funded transitional housing in the City of Los Angeles to permanent housing. Families are referred from participating transitional housing agencies to housing placement agencies for housing counseling assistance. Housing placement agencies refer families to the HACLA. The HACLA determines whether the family meets voucher program requirements.

3.2.1.2.7 Mainstream Housing Program

Section 8 rental vouchers are provided along with supportive services to enable eligible families consisting of adults with disabilities to rent affordable private housing of their choice in a non-segregated environment. In addition, the Mainstream Program assists persons with disabilities who face difficulties in locating suitable housing in the private market.

For vouchers awarded under the Notice of Funding Availability (NOFA) for

Fiscal Year 2017 (FR-6100-N-43), the target voucher recipients are any household that includes one or more non-elderly person with disabilities transitioning out of institutional and other segregated settings, at serious risk of institutionalization, homeless, or at risk of becoming homeless.

3.2.1.2.8 Moving to Opportunity (MTO) Program (Demonstration Program)

This demonstration program is no longer taking applications. The HACLA has used all slots provided by HUD for this program. The HACLA continues to provide service under the Section 8 program for families who were admitted.

This nationwide demonstration program targeted low income families then currently living in public housing or in project-based housing units which were located in a high poverty census tract. The program was designed to assist families to move to housing located in low poverty census tracts. Experimental, comparison and control groups were designed to provide information on the impact of neighborhoods on social and economic opportunity.

The HACLA designated eight public housing communities and three project-based buildings to participate in the demonstration program. The HACLA solicited volunteers from these locations who wished to move out of the area. The program will track three groups of families for 10 years to determine the effect of moving to low poverty census tracts on housing, education, employment and social well being.

An Experimental Group was given Section 8 vouchers to be used only for units located in low poverty area census tracts. This group was given extensive counseling and assistance in locating a unit and continued counseling and supportive services to transition into a low poverty community.

A Comparison Group was given Section 8 vouchers to use in any area. This group received no special counseling or supportive services.

A Control Group remained in place and received no vouchers.

The HACLA selected a Community Based Organization (CBO) to provide counseling and supportive services and to assist families in the Experimental Group in locating units in low poverty census tracts.

To expand the MTO program, the HACLA Board of Commissioners set aside, in June 1995, 250 free standing vouchers in addition to the original

HUD funding of 188 vouchers.

The following public housing communities and project-based buildings were designated for participation in the program:

Section 8 Project-based Locations:

- Boyle Apartments
- Sheridan Manor
- Watts Arms I

Public Housing Communities:

- Hacienda Village
- Imperial Courts
- Jordan Downs
- Nickerson Gardens
- Pico Gardens/Aliso Extension (Initial allocation, Round I only)
- Pueblo Del Rio
- Ramona Gardens
- San Fernando Gardens
- Aliso Village

This program is no longer taking applications.

3.2.1.2.9 Veterans Affairs Supportive Housing (VASH) Program (1992 HUD Funded Program)

VASH is a joint national project of HUD and the Department of Veterans Affairs (VA). The program is designed to enable homeless veterans who are afflicted with severe psychiatric or substance abuse disorders to locate affordable housing in an attempt to return the veteran to mainstream society.

The local VA hospital or clinic refers promising candidates to the HACLA for determination of income eligibility. HACLA issues a voucher to eligible referrals on the condition that the participant will continue an extensive counseling program and will abide by substance abuse rehabilitation program guidelines.

[In accordance with the VASH program guidelines issued in the March 20, 1992 *Federal Register* requiring this statement, HACLA will not make interim use of VASH vouchers.]

See also Section 3.3.2 HUD-Veterans Affairs Supportive Housing (HUD-VASH) Program (2008 HUD Funded Program) which operates independently of the waiting list.

3.2.1.2.10 Welfare to Work (WtW) Vouchers

This program subsidizes rents of low-income families receiving welfare assistance or recently off welfare, to enable them to rent housing near available jobs, transportation or child care.

HACLA operates this program in coordination with the Los Angeles County Department of Public Social Services (DPSS). DPSS reviews all program referrals to certify compliance with the WtW voucher program requirements regarding receipt of welfare assistance and to certify that assisted housing is critical to the family's obtaining or retaining employment.

Referrals may be forwarded to DPSS from DPSS GAIN service workers, HACLA's WtW Program, CalWORKs Eligibility Interviewers, Private Industry Councils, Adolescent Family Life Program providers, Mental Health/Substance Abuse assessors and providers, Domestic Violence service providers, Department of Community and Senior Services/RITE Program staff, One-Stop, and other agencies which serve the target population.

DPSS funded housing counseling services for the first 700 assisted families to help them locate housing that best met their needs.

With HUD's prior approval, the admission of a portion of very low-income WtW families that are not extremely low-income may be disregarded in determining compliance with income targeting. (See Section 5.18, *Income Targeting*, of this Administrative Plan.)

This program is no longer taking applications.

3.2.1.2.11 Tenant-Based Supportive Housing Program

This program is designed to support local homeless assistance strategies by providing tenant-based Section 8 assistance to chronically homeless individuals and families, and those discharged from hospitals without re-entry housing, who require extensive supportive services to live independently. Services are provided for the length of time that the family remains on the program and are provided by various Los Angeles County departments, such as health services, mental health, substance abuse, etc., their contracted partners, as well as Community Based Organizations selected through a competitive process. HACLA must enter into an MOU or contract with the service provider to provide the services. Vouchers are made available from existing HUD allocations to HACLA's Section 8 tenant-based program up to a maximum number authorized by the HACLA Board of Commissioners.

In accordance with HUD's guidance and technical assistance, contracted agencies for this program use the Coordinated Entry System to fill vacancies. Alternate, equivalent comprehensive assessment systems, including but not limited to the Department of Health Services internal assessment or the 10th decile triage tool, may also be used with approval of HACLA.

Upon the written recommendation of the partnering agency, eligible families with no or very low supportive service needs may be referred to the HACLA for continued assistance through the regular housing choice voucher (HCV) program, freeing up the TBSH voucher for another eligible family.

Placement on the waiting list is at the sole discretion of the HACLA and is subject to the following:

1. The Contractor agrees to continue to provide appropriate supportive services to the family or to locate and refer the family to other providers of equivalent supportive services that are affordable to the family.
2. The family must agree to be referred to supportive services, if needed.
3. The family agrees with the Contractor's recommendation, understands the nature of the tenant-based program, and provides a written request for Housing Choice Voucher assistance.
4. The family is a low income family and otherwise eligible for the Housing Choice Voucher Program.
5. The family has received assistance under Tenant Based Supportive Housing Program for at least two years.
6. The family is currently in compliance with Tenant Based Supportive Housing provisions, including, but not limited to, being in compliance with their supportive service plan.
7. The family is in compliance with current lease, including, but not limited to, paying their rent on time each month.
8. The partnering agency certifies that the participant family now has no or very low supportive service needs.
9. The partnering agency's performance has been satisfactory to HACLA per Section 15.6, Monitoring of Services Provided by Special Program Partner Agencies, of this Administrative Plan.

3.2.1.2.12 Demonstration Program

This program is designed to allow ex-offenders leaving the criminal justice system to reunite with their families receiving S8 housing assistance. The assisted family must approve the admission. HACLA may waive criminal background check requirements only for permissible prohibitions where HUD grants the HACLA discretion to establish admission criteria. Ex-offenders will be required to participate in re-entry supportive services

provided by community-based organizations and/or public agencies. These organizations and agencies will have been preselected by the HACLA through an RFP process. Program size and parameters are subject to approval by the HACLA Board of Commissioners. HACLA will evaluate the pilot and make changes to the program depending on the outcomes.

3.2.1.2.13 Transitional Housing Conversion

Upon the written certification of the Los Angeles Homeless Services Authority, eligible families residing in transitional housing, that are part of a coordinated effort to convert existing transitional housing projects to permanent housing, may be referred to the HACLA for placement on the Section 8 tenant-based waiting list with a limited preference. Such families become subject to the screening requirements for criminal history of the tenant-based program in accordance with Section 5.20, PBV and Tenant-based Section 8 Screening. Placement on the waiting list is at the sole discretion of the HACLA and is subject to the following:

1. The transitional housing owner agrees to continue to provide appropriate supportive services to the family or to locate and refer the family to other providers of equivalent supportive services that are affordable to the family.
2. The family must agree to be referred to supportive services, if needed.
3. The family agrees with the transitional housing owner's recommendation, understands the nature of the tenant-based program, and provides a written request for Housing Choice Voucher assistance.
4. The family is a low income family and otherwise eligible for the Housing Choice Voucher Program.
5. The family is currently in compliance with their supportive service plan.
6. The family is in compliance with their current lease, including, but not limited to, paying their rent on time each month.

Vouchers are made available from existing HUD allocations to the HACLA's Section 8 tenant-based program up to a maximum number authorized by the HACLA Board of Commissioners not to exceed 20 (twenty) referrals per year.

3.2.1.2.14 Homeless Veterans Initiative

This program was designed to support local homeless assistance strategies by providing tenant-based Section 8 assistance to homeless veterans who are not VA healthcare eligible. Eligible homeless veterans will be referred to HACLA by authorized partnering agencies that have been preselected by HACLA through an RFP process.

Vouchers are made available from existing HUD allocations to HACLA's Section 8 tenant-based program up to a maximum number authorized by

HACLA Board of Commissioners.

The authorized partnering agencies must make every effort to enroll the head of household of the referred family in HACLA's Family Self Sufficiency (FSS) Program. Authorized partnering agencies are not required to enroll families in which the head of household is either elderly or a person with a disability, but the authorized partnering agencies must provide ongoing case management for these families.

In accordance with HUD's guidance and technical assistance, contracted agencies for this program use the Coordinated Entry System to fill vacancies. Alternate, equivalent comprehensive assessment systems, including but not limited to the Department of Health Services internal assessment or the 10th decile triage tool, may also be used with approval of HACLA.

3.2.1.2.15 Mobility Demonstration Voucher

For vouchers awarded under the Notice of Funding Availability (NOFA) for Fiscal Year 2020 (FR-6191-N-01), the Waiting List Limited Preference is for families with at least one child aged 13 and under that live in census tracts with a family poverty rate of 30 percent or higher. If HACLA does not have enough families on the waiting list that meet the required preference, HACLA will select the next available family with at least one child aged 17 or under from the waiting list. Families that receive a Mobility Demonstration Voucher (MDV) will be randomly assigned to one of the treatment groups and will receive mobility-related services.

As provided by Section 8 Administrative Plan, Section 1.6 Addition of Programs, the Housing Authority will implement any applicable policies and procedures as may be required by participation in the program (and as may be approved by the Board) into the Section 8 Administrative Plan as if they were originally set forth herein. Specifics on the program will be added to the Section 8 Administrative Plan at the next scheduled revision.

3.2.1.2.16 Emergency Housing Vouchers

HACLA was awarded 3,365 Emergency Housing Vouchers (EHVs) to be effective July 1, 2021. The American Rescue Plan Act of 2021 authorized the funding for this housing assistance program (Public Law 117-2).

After September 30, 2023, the Housing Authority will not reissue any previously leased EHV, regardless of when the assistance for the formerly assisted family ends or ended. All EHVs under lease on or after October 1, 2023, will not under any circumstances be reissued to another family when the participant leaves the program for any reason. The funds appropriated

for the EHV program are available for obligation by HUD only until September 30, 2030.

The administrative policies adopted in the Section 8 Administrative Plan apply to EHV unless such policies conflict with the requirements of the American Rescue Plan (ARP), the requirements of PIH Notice 2021-15 dated May 5, 2021, or the alternative requirements outlined below.

Eligibility

The Housing Authority must partner with the Continuum of Care (CoC) or other homeless or victim services providers to assist qualifying families through a direct referral process. EHV waiting list is based on direct referrals.

In order to be eligible for an EHV, an individual or family must meet one of four eligibility categories:

1. Homeless
2. At risk of homelessness
3. Fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking
4. Recently homeless and for whom providing rental assistance will prevent the family's homelessness or having high risk of housing instability.

The Continuum of Care (CoC) or another partnering agency that makes direct referrals to the Housing Authority conducts the verification that the individual or family meets one of these four eligibility categories.

The CoC or other direct referral partner must provide supporting documentation to the Housing Authority that the family meet one of the four eligible categories for EHV assistance.

The income targeting requirements of section 16(b) of the United States Housing Act of 1937 and § 982.201(b)(2) are waived and do not apply for EHV families. The Housing Authority can effectively serve individuals and families in all the eligibility categories under the ARP who may be at a variety of income levels, including low-income families.

Grounds for Denial of Admission

HUD requires HACLA to prohibit admission to EHV applicants under the following circumstances:

- (1) if any household member has ever been convicted of drug-related criminal activity for manufacture or production of methamphetamine on the premises of federally assisted housing.
- (2) if any member of the household is subject to a lifetime registration requirement under a State sex offender registration program.

Unlike regular HCV admissions, the Housing Authority may not deny an EHV applicant admission regardless of whether:

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- Any member of the family has been evicted from federally assisted housing in the last five years
- A Housing Authority has ever terminated assistance under the program for any member of the family.
- The family currently owes rent or other amounts to the Housing Authority or to another Housing Authority in connection with Section 8 or public housing assistance under the 1937 Act.
- The family has not reimbursed any Housing Authority for amounts paid to an owner under a HAP contract for rent, damages to the unit, or other amounts owed by the family under the lease.
- The family breached an agreement with the Housing Authority to pay amounts owed to a Housing Authority, or amounts paid to an owner by a Housing Authority.
- The family would otherwise be prohibited admission under alcohol abuse standards established by the Housing Authority in accordance with §982.553(a)(3).
- The PHA determines that any household member is currently engaged in or has engaged in during a reasonable time before the admission, drug-related criminal activity.

Similar to the HUD-Veterans Affairs Supportive Housing (HUD-VASH) program, HUD is eliminating the Housing Authority's permissive prohibitions for EHV admissions for drug-related criminal activity.

Initial Search Term

The initial term for an EHV must be at least 120 days. Any extensions, suspensions, and progress reports will apply after the minimum 120-day initial search term for maximum search term not to exceed 365 cumulative days.

Services Fee

The Services Fee has four main components:

1. **Housing Search Assistance.** The Housing Authority will use the service fee funding to provide housing search assistance to EHV families during their initial housing search.
2. **Security Deposit/Utility Deposit/Rental Application/Holding Fee.** At the discretion of the Housing Authority and based on the availability of funds, this fee may be used for:
 - Application fees/non-refundable administrative or processing fees/refundable application deposit assistance.
 - Holding fees.
 - Security deposit assistance.

- Utility deposit assistance/utility arrears.
- 3. Owner-related. At the discretion of the Housing Authority and based on the availability of funds, this fee may be used for:
 - Owner recruitment and outreach.
 - Owner incentive and/or retention payments.
- 4. Other eligible uses. At the discretion of the Housing Authority and based on the availability of funds, this fee may be used for:
 - Moving expenses (including move-in fees and deposits).
 - Tenant-readiness services.
 - Essential household items.
 - Renter's insurance if required by the lease.

Voucher Payment Standard

On October 16, 2018, HUD approved a waiver to allow HACLA to apply the current payment standard to the HAP calculation at the time it approves a rent increase requested by the landlord that occurs before the family's regular reexamination.

This waiver request applies under the following circumstances:

- HACLA has adopted increased payment standards for its program;
- The contract rent for the family's unit increased;
- The contract rent increase occurs prior to the family's next annual reexamination; and
- The family would bear the burden of the contract rent increase due to an increased TTP.

3.2.1.3 Mixed Programs

A mixed program may result in the provision of either tenant-based or project-based assistance.

3.2.1.3.1 Housing Opportunities for Persons with AIDS (HOPWA Program and HOPWA Fast Track Program)

This program was established by the AIDS Housing Opportunities Act to assist States and local communities in providing long term comprehensive strategies to meet the housing needs of persons with AIDS and their families.

The HOPWA Advisory Committee for Los Angeles County established a tenant-based rental assistance program as one component of its HOPWA program. The tenant-based program operates under HOPWA regulations (24 CFR 574) and under the procedures included in a Memorandum of Understanding (MOU) with the agency which administers all HOPWA funds

Chapter 3: APPLICATIONS, REFERRALS & PROGRAMS

in the County of Los Angeles, currently the Housing + Community Investment Department (HCIDLA, formerly Los Angeles Housing Department). The HOPWA program provides funds for at least one year of rental assistance to eligible program participants. The HACLA issues a Section 8 voucher to eligible low income families when these funds are exhausted. Prior to the 1999 merger of the certificate and voucher programs, a Section 8 certificate was issued.

The HACLA complies with policies set by the Advisory Committee or any successor agency with regard to issuing tenant-based assistance in accordance with any Memorandum of Understanding or contract as may be approved by the HACLA Board of Commissioners.

The HACLA operates a Fast Track component for the HOPWA tenant-based rental assistance program, subject to the availability of funds. Households register by calling a telephone number that is publicized and provided to agencies serving persons with AIDS and other low-income people. Applicants are given a registration number when they call and are placed on a registration list based on time and date of call. As funds become available the HACLA contacts applicants based on their registration number. HACLA determines income eligibility of all applicants and confirms medical eligibility through certifications by medical professionals. Applicants who request additional assistance or who subsequently need help in using HOPWA housing assistance are referred to the contracted HOPWA agencies.

The HACLA also may, in collaboration with HCIDLA, contract with agencies to refer applicants to the HACLA for determination of eligibility to the HOPWA program. Agencies successful through a HACLA competitive process would be utilized and would refer applicants who are under a plan of care or service plan with the agency. The HACLA would work with the applicant and the referring agency to obtain necessary eligibility documentation.

The HACLA administers the HOPWA tenant-based rental assistance program for the cities of Los Angeles, Santa Monica, Culver City, Inglewood, La Canada and Burbank.

The HACLA also administers the HOPWA project-based rental assistance program under a Memorandum of Understanding with HCIDLA. Owners of project-based HOPWA buildings refer applicants to the HACLA for determination of eligibility.

3.2.2 Referrals Due to Special Circumstances

Referred families who meet the criteria below are immediately placed on the waiting list and receive a Priority 1 preference over other applicants. (See Section 5.17, *Local Preferences*, of this Administrative Plan.)

In order to participate in any Section 8 or other assisted housing program a referred family must meet all applicable program eligibility requirements including the requirements of Chapter 13 of this Administrative Plan.

3.2.2.1 Referrals from HACLA Owned Units

All referrals from public housing or other HACLA owned housing shall be made to the Section 8 Director. All referrals shall be accompanied by the participant's or applicant's complete file including all criminal history information and the family's HACLA identification number.

All surrounding circumstances for applications received under this Section 3.2.2.1 must be fully documented and provided to the Section 8 Director with the referral.

The Section 8 Director shall review the file and the surrounding circumstances of the referral and shall either approve or disapprove the referral. A disapproval by the Section 8 Director based on other than program eligibility requirements may be appealed to the President and CEO.

3.2.2.1.1 Relocation from HACLA Owned Units Due to Emergencies

Families who live in HACLA owned or managed units may be issued a Section 8 application form in cases of extreme emergencies, such as when it is determined that continued residency in the current unit constitutes a grave threat to the participant's life or to the health and safety of other residents, provided that the circumstances are not due to the actions by the resident family which were in violation of Federal, State or local law, or in violation of program requirements.

3.2.2.1.2 Referrals from Public Housing Units and the Public Housing Waiting List Due to Special Needs

To assure equal access to housing, families who reside in HACLA owned or managed units or who are on the waiting list for HACLA's Conventional Low Rent Public Housing (LRPH) may be issued applications in those cases in which it is unlikely that the family can be accommodated in LRPH units due to a special need.

Special need may include a family with a handicapped member that could not be adequately accommodated in any available LRPB unit, or a family whose child has an Environmental Intervention Blood-Lead Level (EIBLL) when the only available LRPB units are in sites that have not been treated to remove lead based paint.

Families on a LRPB waiting list will be referred at the time they reach their turn to be housed on the LRPB waiting list.

Families currently residing in HACLA owned or managed units need not meet the initial eligibility requirements for income for the Section 8 Program so long as they meet the requirements for “continually assisted housing.” [See Section 6.3, *Definition of “Continuously Assisted Family,”* of this Administrative Plan.]

3.2.2.1.3 Referrals Due to Demolition, Disposition or Rehabilitation

To accommodate residents of HACLA owned housing units that are being demolished, disposed of, rehabilitated, or replaced, the HACLA may issue tenant-based vouchers to accommodate displacees on either a short or a long term basis.

In addition to the requirements of Section 3.2.2.1 above, the Director of Housing Management must provide the Section 8 Director with individual written certifications for each affected family that indicate their displacement status and their potential eligibility for Section 8 assistance.

The Section 8 Department shall insure that all referred families are eligible for the Housing Choice Voucher program prior to providing the family with a Housing Choice Voucher.

Affected residents who already receive some form of housing assistance from the HACLA need not meet the initial eligibility requirements for income in the Section 8 Program so long as they meet the requirements for “continually assisted housing.” [See Section 6.3, *Definition of “Continuously Assisted Family,”* of this Administrative Plan.]

3.2.2.2 Victims of Declared Disasters

Subject to the availability of funds, the HACLA may distribute application forms and immediately issue vouchers to eligible families residing within its jurisdiction who are bona fide victims of declared disasters or emergencies, whether due to natural calamity (e.g., earthquake), civil disturbance, or other cause recognized by the State or Federal government.

3.2.2.3 Displacement Due to Government Actions

The HACLA may distribute application forms and immediately issue vouchers to eligible families or single persons who are displaced or about to be displaced due to the action of government agencies or school districts. Such families or individuals must be certified as displaced by a government agency which is operating under an agreement with the HACLA.

3.2.2.4 Termination of HUD Subsidies

The HACLA may distribute application forms and immediately issue vouchers to eligible families when a HUD subsidy contract ends but HUD does not provide tenant-based replacement vouchers.

3.2.2.5 Termination of HAP contract due to lack of funding

The HACLA may distribute application forms and immediately issue vouchers to impacted families who were terminated from the program due to insufficient funding under the Annual Contributions Contract. Per PIH Notices 2011-32, 2011-52 and 2011-53, if the HACLA must terminate families from its program due to a funding shortfall, the order for terminating housing assistance should be:

1. Non special purpose vouchers
2. Non-Elderly, Non-Disabled, No Children
3. Non-Elderly, Non-Disabled with Children
4. Elderly, Disabled
5. Referrals to Special Programs under the Tenant-Based Component (See Section 3.2.1.2 of this Administrative Plan)
6. Referrals to Special Programs under the Project-Based Component
7. Non-Elderly Disabled (NED)
8. Family Unification Program (FUP)
9. HUD-Veterans Affairs Supporting Housing Program

3.3 Non-Waiting List Admissions

Certain families may be assisted without being placed on the HACLA's waiting list.

3.3.1 Special Admissions – Housing Conversions

Special Admissions are defined by HUD as program funding targeted for families living in specified units. Housing Conversion Actions include preservation prepayment or voluntary termination actions, project-based opt-outs, HQS Enforcement Actions and HUD Property Disposition Actions.

HUD identifies the following types of families as examples of special admissions.

This list is not all inclusive. HUD may define other families as special admissions as circumstances require:

- Families displaced because of demolition or disposition of a public housing project;
- Families residing in a multifamily rental housing project when HUD sells, forecloses or demolishes the project;
- Housing covered by the Low Income Housing Preservation and Resident Homeownership Act of 1990 (12 USC 4101 *et seq.*);
 - A non-purchasing family residing in a project subject to a homeownership program;
 - A family displaced because of mortgage prepayment or voluntary termination of a mortgage insurance contract;
- A family residing in a project covered by a project-based Section 8 HAP Contract at or near the end of the HAP Contract term; and
- A non-purchasing family residing in a HOPE 1 or HOPE 2 project.

Subject to the availability of appropriated funds and subject to regulations and directives published by HUD, eligible unassisted or assisted families who reside in an eligible preservation project and eligible families who reside in other types of projects which undergo a Housing Conversion Action may be offered tenant-based assistance.

HUD refers such families to the HACLA for determination of income and program eligibility. HUD provides special Annual Contribution Contracts (ACCs) for the purpose of assisting such eligible families. HUD publishes special rules and requirements which govern the issuance and use of vouchers authorized by the ACC.

HUD may allow admission of low-income families as a result of an owner opt-out and may allow admission of low-income and moderate-income families as a result of a conversion action because of the prepayment of the mortgage or voluntary termination of an insurance contract on eligible low-income housing.

All Housing Conversion Action vouchers are “special admission” vouchers and are not subject to income targeting. (See Section 5.18, *Income Targeting*, of this Administrative Plan.)

3.3.2 HUD-Veterans Affairs Supportive Housing (HUD-VASH) Program (2008 HUD Funded Program)

The HUD-VASH program is a joint national initiative of HUD and the Department of Veterans Affairs (VA) authorized pursuant to Division K, Title II of the Consolidated Appropriations Act, 2008 (Pub. L. 110-161), and implemented by initial program guidelines issued in the May 06, 2008 Federal Register, page 25026

(Correction issued May 19, 2008 page 28863).

The program combines HUD Housing Choice Voucher (HCV) rental assistance for homeless veterans with case management and clinical services provided by the Department of Veteran Affairs (VA) at its medical centers and in the community in an attempt to return the veteran to mainstream society.

HUD allocated a specific number of HUD-VASH vouchers to the HACLA. The local VA hospital or clinic refers HUD-VASH eligible families to the HACLA for the issuance of a HUD-VASH voucher. The HACLA issues a voucher to eligible referrals on the condition that the participant will continue to receive case management services from the Veterans Administration Medical Center (VAMC).

Although HUD-VASH vouchers are administered in accordance with the Housing Choice Voucher regulations at 24 CFR part 982, the Consolidated Appropriations Act, 2008 (Pub. L. 110-161) authorized the HUD Secretary to waive, or specify alternative requirements for, any provision of any statute or regulation deemed necessary for effective delivery and administration of the HUD-VASH program. (Certain exceptions apply.)

The waivers or alternative requirements are exceptions to the normal HCV requirements and are discussed in Chapter 21, *Special Procedures – HUD-VASH*.

3.3.3 Special Admissions - Housing-related Programs and Mission Assignments

Regardless of whether the HACLA's waiting list is open or closed, the HACLA President and CEO may authorize the HACLA to participate in or administer assisted housing programs and to provide related services for housing-related programs and mission assignments that have been authorized by a department or agency of the Federal government including but not limited to the Department of Housing and Urban Development, the Department of Veterans Affairs, the Department of Health and Human Services, the Department of Labor and the Federal Emergency Management Agency or successor agency, or as otherwise authorized by Congress, irrespective of the source of funding for such endeavors.

The President and CEO shall advise the HACLA Board of Commissioners of his/her authorization and the nature of the program.

The HACLA is not required to give public notice of the opening of its waiting list for families targeted for housing-related programs where special funding or provision for assistance is authorized by Congress or by departments or agencies of the Federal government outside of HUD's normal budgetary process. Admission to assisted housing under the provisions of such programs shall be considered a special admission.

3.4 Family Self Sufficiency (FSS) Program

In accordance with HUD regulations, the HACLA operates a Family Self Sufficiency Program. Policies for the Family Self Sufficiency Program are contained in the HACLA's Family Self Sufficiency Action Plan which is published separately from this administrative plan. Families are not added to the waiting list under this program; they may volunteer to participate in this program after admission to the Section 8 Program.

In 2013, the HACLA was selected to participate in the National Family Self Sufficiency (FSS) Study sponsored by HUD. Due to HACLA's participation in this study, current Section 8 participant families who want to volunteer to participate in HACLA's FSS program will be randomly selected during the enrollment period and placed in one of two study groups:

1. FSS Group. This group will have access to all FSS services offered by HACLA.
2. Control Group. This group will not participate in FSS Program or access FSS services for five (5) years starting from the effective date HUD implemented the National Family Self Sufficiency Study. The five (5) year timeframe may be reduced to three (3) years at HUD's discretion.

For Section 8 families placed in the Control Group only, the following provision applies: The family will be exempt from the requirement to be currently enrolled in the HACLA's FSS program in order to apply for the Section 8 Homeownership Program. However, the family must meet all other eligibility requirements for the Homeownership Program (See Chapter 20 of this Administrative Plan).

Chapter 4 SELECTION OF COMMUNITY BASED ORGANIZATIONS (CBOs) OR NON PROFIT ORGANIZATIONS (NPOs) - REQUEST FOR PROPOSALS (RFP) PROCESS

Certain programs may require the participation of one or more Community Based Organizations (CBOs) or Non Profit Organizations (NPOs), including government agencies, for their success. Such participation may be mandated or recommended by HUD or it may arise out of other needs of HACLA to compete for or to administer various programs. These CBO/NPOs may be responsible for discovery and referral of clients, initial processing of clients, provision of counseling or supportive services to applicants, provision of continuing services to participants, provision of housing, and other activities that HACLA may require.

In those cases in which HACLA may be required or finds it advisable to select specific CBO/NPOs to provide services, HACLA solicits proposals from CBO/NPOs through a Request for Proposals (RFP) process.

4.1 Preparation of the Request for Proposals

The Section 8 Department assists the General Services Department in the preparation of the Request for Proposals (RFP). The General Services Department issues and publicizes the RFP.

Proposals are solicited from public, private and non-profit or community based organizations that HACLA determines may be capable of providing the services required. The Request for Proposals is published in accordance with HACLA's procurement policies.

4.2 Evaluation and Selection

The Section 8 Department establishes a panel which evaluates the proposals. This panel prepares a recommendation for the Board of Commissioners based on a pre-established selection and rating system that is included in the RFP. The criteria for selection may include:

- The qualifications, experience and references of the proposer;
- Staffing and organization;
- Work plan and schedule;
- Cost and Price;
- Section 3;
- Outreach to Minority owned Business Enterprises and Women owned Business Enterprises;
- Other items which may be required to successfully evaluate the proposals.

4.3 Preparation of Contract or Memorandum of Understanding (MOU)

Once the CBO/NPO has been selected, the Section 8 Department prepares a contract or memorandum of understanding which will specify the nature and degree of services to be provided by the CBO/NPO, the extent of cooperation between agencies, and the obligations of the parties. The Section 8 Department negotiates the terms of the contract or MOU with the CBO/NPO and obtains approval of the final document from HACLA legal counsel.

No contract or memorandum of understanding (MOU) may be executed, no expenditure of funds or obligation to spend funds may be incurred, and no program implementation may begin without the prior approval of HACLA Board of Commissioners.

Contracts or memoranda of understanding approved by the Board of Commissioners must be signed by the President and CEO.

4.4 Monitoring

HACLA monitors the performance of all CBO/NPOs on an ongoing basis and may require periodic reports to insure quality of performance and to insure that the terms of the contract or MOU are being met. HACLA also monitors program performance on an overall basis to determine whether adjustments may be needed in the provision of services by CBO/NPOs to make the program more efficient or to better serve the needs of the community, the program participants, or HACLA.

HACLA maintains a commitment to its participating CBO/NPOs to hold regular meetings with their leadership and staff to provide orientation, on-going training and effective communication.

4.5 Use of RFPs in a Continuing Program

HACLA may use the RFP process to replace any participating CBO/NPO, to extend offers to additional CBO/NPOs, or to require participating CBO/NPOs to compete for extensions of contracts or memoranda of understanding in order to comply with program standards required by HUD or other government agencies, to comply with additional requirements which may be imposed on existing programs, to broaden outreach capability, to increase administrative efficiency, to comply with HACLA's procurement policy, or for other administrative needs.

4.6 HACLA Referrals

If an agency, organization, or unit of local government is not meeting its full commitment for referrals to any Special Program, HACLA may canvass its waiting list (by date and time of application) for families that are potentially eligible for the Special Program and refer these families to the CBO/NPO or unit of local government for their action. [See also Section 3.2.1, *Referrals to Special Programs*, of this Administrative Plan.]

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Chapter 5 MANAGING THE APPLICANT WAITING LIST

[See also Section 3.1, *Open Application Periods*, of this Administrative Plan.]

5.1 Number of Waiting Lists

HACLA maintains a single, merged waiting list for its tenant-based programs. HACLA maintains a single, merged waiting list for its non PSHP-PBV projects. For its PSHP-PBV program, applicants are referred through the Coordinated Entry System, an alternate, equivalent comprehensive assessment system or partnering agencies, in accordance with *Section 17.32, Filling Vacancies*, of this Administrative Plan.

5.2 Precedence of Income Targeting Requirements

HACLA may make reasonable alterations in its waiting list and admissions policy to insure that any HUD mandated income targeting requirements are met.

5.3 Applications Database

The Section 8 Department maintains applications to all assisted housing programs it administers in an electronic waiting list database that is secure, password protected and designed to limit access to essential authorized staff. The business system automatically creates an audit trail for any changes made to this database.

5.4 Ordering of Applications on the Waiting List

All applications are assigned a date and time. If some applications are subject to randomization by means of a lottery, the randomized applications will be assigned a date and time that corresponds to the results of the lottery.

For information on open application periods, application intake, duplicate applications, etc., refer to Chapter 3, *Applications, Referrals, Programs*, of this Administrative Plan.

5.5 Restricted Data in the HCVP Waiting List

Authority to modify, update or delete certain data contained in the tenant-based HCVP waiting list is limited to the Assistant Section 8 Director for Applications, Processing, Issuance, and Contracting Office (APIC) and the managers of subordinate APIC offices.

The restricted data are:

- First name, middle initial and last name of the head of household,
- Social security number of the head of household,

Chapter 5: MANAGING THE APPLICANT WAITING LIST

- Date of birth of the head of household,
- Any waiting list preference.

Such authority shall not be delegated except by the written directive of the Section 8 Director.

5.6 Transferability and Requests to Modify Data in the Waiting List Database

An application shall be transferable only to a person listed on the original application as the spouse or co-head.

Only the person listed as the head of household on the original application and, thereafter, in the waiting list database, may request a modification of any data contained in the waiting list.

All requests to modify, update or delete data must provide the head of household's full name, address, phone number and social security number (or date of birth). All requests must be in writing and must contain the signature of the head of household.

In the event of the death of the head of household, a person already listed as the spouse or co-head in the waiting list database may request a change in the head of household and in any other waiting list information by making a signed, written request and providing HACLA with a copy of the death certificate of the original head of household.

In all other cases (e.g. divorce, separation, abandonment, medical incapacity), head of household information will be changed only if the original head of household provides a written notarized release of the application to the spouse or co-head recorded on the waiting list database, or if the spouse or co-head requesting to be listed as the new head of household provides court documentation of his or her right to the application.

Any change to restricted data elements set forth in Section 5.5, *Restricted Data in the HCVP Waiting List*, shall only be made by the Assistant Section 8 Director for Applications, Processing, Issuance and Contracting (APIC) and the managers of subordinate APIC offices.

Clerical staff and eligibility interviewers who are authorized to change non-restricted data may make routine corrections of data at the written request of the head of household in accordance with this subsection. Any change to data must be identified in notes in the business system.

Copies of requests for any change of information, regardless of whether they are

ultimately approved or entered into the business system, shall be maintained in the client's hardcopy file or shall be scanned into the business system.

For information on who may be listed as the head of household, see Section 6.9, *Designation of Head of Household*, of this Administrative Plan.

5.7 Draw-downs from the Waiting List

Authority to draw-down (select) applicants from HACLA's waiting list is limited to the Assistant Section 8 Director for Applications, Processing, Issuance and Contracting (APIC) and other designees specifically approved by the Section 8 Director.

Applicants must be selected in order of date and time of application and by claimed preferences (if any). Applicants who are selected from the waiting list are mailed application questionnaires and are assigned an interview date and time.

For the tenant-based Housing Choice Voucher Program, the Assistant Section 8 Director for Applications, Processing, Issuance and Contracting determines the number of applicants that will be drawn down from the waiting list at any given time.

5.8 Documentation of Draw-downs - Selection of Applicants

HACLA will insure that it can document electronically, and by means of an electronic draw-down report, all instances in which applicant families are selected from the waiting list. The report characteristics must be sortable and must include:

- The date the draw-down was performed,
- The head of household's name, social security number and date of birth,
- The date and time of the application,
- The rank of the family on the waiting list on the draw-down date,
- The date scheduled for the family's initial eligibility interview,
- All preferences for which the family claimed eligibility, if applicable,
- The annual income claimed by the family.

5.9 Scheduling Applicants for Eligibility Interviews

Eligibility interviews shall be scheduled in accordance with the family's rank on the waiting list at the time of draw-down (selection). A copy of the appointment letter that includes the head of household's Entity ID number must be placed in the client folder at the time the appointment letter is created.

Appointment letters shall include HACLA Eligibility Questionnaire for Applicants and will specify the date, time and location of the eligibility interview.

If the primary language of the applicant family can be determined and HACLA is
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required to provide a translation in that language in accordance with its Limited English Proficiency plan, the appointment letter will include an English copy and a translated copy of the Eligibility Questionnaire.

5.10 Applicant's Failure to Respond

Applications are withdrawn if the applicant fails to respond to notices, questionnaires or other correspondence mailed by HACLA to the address indicated as the applicant's place of residence or mailing address at the time of initial application (or to any subsequent address the applicant may have supplied) or if the family fails to appear for a scheduled appointment.

If the applicant family fails to respond or appear for an appointment, HACLA notifies the family that it is being withdrawn from the waiting list and offers the family an opportunity for an informal review. If there is no request for an informal review within the time frame described in the notice, the application is withdrawn.

In addition to considering a request for a reasonable accommodation, HACLA may at its sole discretion, consider if unforeseen and/or mitigating circumstances prevented the applicant to appear for an interview or appointment.

[See Section 5.30, *Reasonable Accommodation*, for instances in which a family fails to respond because of a disability.]

5.11 Return of Correspondence by the U.S. Postal Service as Undeliverable

If correspondence mailed to the mailing address provided by the applicant at the time of application (or to any subsequent address provided by the applicant) is returned as undeliverable by the U.S. Postal Service, HACLA will not make any further attempt to contact the applicant, and the applicant's name will be withdrawn from the waiting list without further notice.

5.12 Determining Eligibility

Program eligibility is determined primarily on the basis of family income in accordance with HUD's published income limits and HUD program requirements.

Admission by referral through special programs or due to special circumstances (Priority 1 preferences) may require that the family meet other specific criteria. [See Section 3.2, *Referrals*, of this Administrative Plan.]

If an applicant family is determined to be ineligible due to income, the family is notified of this determination and of the family's right to an informal review prior to withdrawal

from the waiting list.

If the family is a referred family but does not meet eligibility criteria for the special program or special circumstance, the family is notified of this administrative determination and of the applicant's right to the informal complaint process.

5.13 Determining U.S. Residency

If the applicant meets income requirements, HACLA determines whether the applicant also meets residency (citizenship and immigration status) requirements in accordance with HUD policy.

If the applicant is ineligible due to U.S. residency requirements, the applicant is notified of this determination and of the applicant's right to an informal hearing prior to withdrawal from the waiting list.

5.14 Combining Family Members from Households Holding Separate Applications

At the sole discretion of HACLA, a family that reaches the top of the waiting list may, upon written request, add to its household a family member or members who have a separate application on file with a place lower on the waiting list provided that HACLA determines that neither application qualifies as a duplicate application. [See Section 3.1.16, *Duplicate Applications*, of this Administrative Plan.]

Each adult family member so added shall be required to indicate in writing that he or she wishes to relinquish his or her independent application, and the application is permanently withdrawn.

5.15 Admission Of Low Income Families – Special Eligibility Criteria

HACLA provides tenant-based assistance to otherwise eligible low income families in the categories listed below.

1. Families who are displaced or about to be displaced due to the action of government agencies or school districts. Such families must be certified as being displaced or about to be displaced by the government agency or school district or by a local agency operating under agreement with the government agency or school district responsible for the displacement.
2. Participant families in the HOPWA program who are eligible to transition into the Section 8 tenant-based program in accordance with Section 3.2.1.3.1, *Housing Opportunities for Persons with AIDS (HOPWA) Program and HOPWA Fast Track Program*.

3. Eligible low income families when a HUD subsidy contract ends but HUD does not provide tenant-based replacement vouchers. [See Section 3.2.2.4, *Termination of HUD Subsidies*, of this Administrative Plan.]
4. Families who are bona fide victims of declared disasters or emergencies recognized by the State or Federal government. [See Section 3.2.2.2, *Victims of Declared Disasters*, of this Administrative Plan.]
5. Participant families in the HUD-VASH program.
6. Families that are part of a coordinated effort, directed and approved by the Los Angeles Homeless Services Authority, to convert transitional housing projects to permanent housing (See Section 3.2.1.2.13, *Transitional Housing Conversion*, of this Administrative Plan).
7. Eligible families occupying units on a PBV proposal selection date as defined in the PBV regulations or who move into such units on or before the commencement date of the PBV HAP Contract, if authorized on a project-by-project basis by HACLA (see Chapter 16, *Project-Based Vouchers*, of this Administrative Plan, and 24 CFR 983.3).

5.16 Federal Preferences

HACLA does not employ Federal preferences in administering its assisted housing programs.

5.17 Local Preferences

HACLA employs the following system of local preferences in administering its waiting list. The Section 8 Department may establish a point system or any other workable system which will insure compliance with this section.

Due to the incompatibility of working family local preferences with statutorily-required income targeting regulations, HACLA Section 8 local preferences for working families has been eliminated. HACLA reserves the right to reanalyze its Section 8 waiting list and consider re-implementing working family local preferences.

5.17.1 Priority 1 Preference – Special Programs and Other Referrals

Families who are referred to and qualify for HACLA's Special Programs receive a Priority 1 preference on the HCV waiting list. [For information and a list of programs see Section 3.2.1, *Referrals to Special Programs*, of this Administrative Plan.] This preference entitles the eligible applicant to be serviced and admitted to the Special Program for which it qualifies ahead of all other eligible applicants on the waiting list.

Families who qualify for admission due to Special Circumstances receive the identical Priority 1 preference. [See also Section 3.2.2, *Referrals Due to Special Circumstances*, of this Administrative Plan.]

In determining the order of service among applicants who qualify for a Priority 1 preference, the following ranking criteria is used. The ranking criteria follows the hierarchy noted and is based on the applicant having applied for admission under one of the programs listed under Section 3.2.1, Referrals to Special Programs, and Section 3.2.2, Referrals Due to Special Circumstances, of this Administrative Plan and have met any additional programmatic requirements, including, in some cases, certification by an agency accredited by HACLA to participate in the special programs:

1. Referrals from HACLA Owned Units (Section 3.2.2.1 of this Administrative Plan).
2. HOPWA to Housing Choice Voucher (Section 3.2.1.3.1 of this Administrative Plan).
3. Victims of Declared Disasters (Section 3.2.2.2 of this Administrative plan).
4. Displacement Due to Government Actions (Section 3.2.2.3 of this Administrative Plan).
5. Underhousing in MRP-SRO Units (Section 16.7 of this Administrative Plan).
6. Underhousing in Continuum of Care Components: TRA, PRA, and SRA.
7. LAHSA Supportive Housing Program to Housing Choice Voucher (Section 3.2.1.2.13 Transitional Housing Conversion of this Administrative Plan).
8. PBV transfer to Housing Choice Voucher (Section 17.39 of this Administrative Plan).
9. Readmissions and Reasonable Accommodations (Section 6.18 of this Administrative Plan).
10. HUD-VASH to Housing Choice Voucher (Section 21.4.3 of this Administrative Plan).
11. Continuum of Care Referral to the Housing Choice Voucher Program.
12. Family Unification Program – Eligible Youth to Housing Choice Voucher (Section 3.2.1.2.2 of this Administrative Plan).
13. Continuum of Care Surviving or Remaining Members of a Family.
14. Moderate Rehabilitation Referral to the Housing Choice Voucher (Section 3.2.1.1.1 of this Administrative Plan)

5.17.2 Preference for the Family of a Veteran

Effective for any waiting list developed after October 31, 2007, (but not for any pre-existing waiting list developed prior to that date) HACLA provides a waiting list preference for the family of a veteran (veteran's preference). This preference is applied as an additional preference to any other preference for which the applicant family may be eligible.

The preference is provided to persons on the waiting list who declare themselves eligible for the preference. At the time of the initial eligibility interview, the family must provide proof of eligibility for the preference. If the applicant is determined to be ineligible for the veteran's preference, the veteran's preference code will be removed from the waiting list database. The applicant's rank on the waiting list will then be determined by the date and time of the application and by any other preference for which the family remains eligible.

For the purposes of this preference, a veteran is defined as a person who currently serves in the active military service of the United States in the Army, Navy, Air Force, Marine Corps or Coast Guard and/or a person who has been released from such active military service under conditions other than dishonorable.

A family is a family of a veteran or serviceperson when:

- 1) The head of household is a veteran or serviceperson.
- 2) A member of the family related to the head by blood, marriage or adoption is a veteran or serviceperson.
- 3) The former head of household is a deceased veteran or serviceperson provided the spouse has not remarried.
- 4) A former member of the family, related to the head by blood, marriage or adoption, is a deceased veteran or service person and was a member of the family at the time of death.

To qualify as the family of a veteran or serviceperson, the veteran or serviceperson, unless deceased, must be living with the family or be only temporarily absent unless:

- 1) The veteran or serviceperson, formerly the head, is permanently absent because of hospitalization, separation, or desertion.
- 2) The veteran or serviceperson, formerly the head, is divorced, provided there remains in the family one or more persons for whose support he/she is still legally or morally responsible, and provided that the spouse has not remarried.
- 3) The veteran or serviceperson, not the family head, is permanently hospitalized provided that he/she was a member of the family at the time he/she was hospitalized.

5.17.3 City Residency Preference

An applicant qualifies for a Residency Preference if any of the following conditions are satisfied at the time of the Initial Eligibility Interview:

- The applicant currently resides in the City of Los Angeles, or is expected to reside as a result of current or offered employment in the City. Employment means regularly scheduled work for at least 20 hours per week.

The use of a residency preference will not have the purpose or effect of delaying or otherwise denying admission to a project or unit based on the race, color, ethnic origin, gender, religion, disability, or age of any member of an applicant family.

Verification of City Residency

HACLA will begin the verification process of the residency preference at the time of the initial eligibility interview.

- If the applicant is determined to be ineligible for the residency preference, the residency preference code will be removed from the waiting list database. The applicant's rank on the waiting list will then be determined by the date and time of the receipt of the application and by any other verified preference for which the family remains eligible.
- If the applicant is determined to be eligible for the City Residency Preference, HACLA will proceed with the application.

HACLA requires two proofs of residency.

The following are acceptable forms of proof of residency:

- Copy of a current residential lease with the eligible household member's name listed on it
- Valid driver's license, state ID card,
- Medical card with current address,
- Utility bill (electricity or gas) with eligible household member's name on it
- Social Security printout,
- Voter's registration card,
- Credit report, or
- Other proof of residence address deemed acceptable by HACLA management.

NOTE: Return envelopes/city postmarks/notarized statements are NOT considered adequate proof of residency.

The following are acceptable forms of proof of employment in the City:

- Letter or documentation from the employer stating the applicant (head, spouse,

- or co-head) is employed (or include a start date) in the City of Los Angeles
- Paycheck stub with the employer's address showing the business is located in the City of Los Angeles

Homeless applicants are granted the City residency preference upon provision of verification of homelessness by a homeless service provider located in the City of Los Angeles.

Reassignment of Preference

An applicant who has either low or no preference may be reassigned to a higher preference category if, at any time during the application process, the applicant can document, and HACLA can verify, that a change in circumstance occurred to merit such preference. The applicant's new rank on the waiting list after a preference is granted will be based on the date and time the original application was received.

If the applicant fraudulently claimed a preference (i.e., by falsifying documents, making false statements, or any other reason), the application will be denied and removed from the waiting list. The notice shall advise the applicant of his or her right to contest the withdrawal and denial of the preference.

5.17.4 Other Preferences

If HUD requires that HACLA provide certain preferences or target certain populations as a condition of receiving funding, or if specific preferences or targeting is required to meet the conditions of a particular ACC or HUD grant, such preferences and targeting requirements are considered to be incorporated into this Administrative Plan effective with the signing of the ACC or upon formal acceptance of the terms of the grant or funding by HACLA Board of Commissioners, or by the President and CEO if so empowered by the Board.

5.17.5 Preference Status

Applicants who appear to be income eligible are notified of any preference for which they have qualified and are also appraised of the procedures required to claim available preferences.

Whether by the result of a review or by a claim to a preference made after the initial application was tendered, if an eligible non-preferenced family is later determined to be qualified for a preference, or a preferenced family is determined to be qualified for a higher or lower preference, the applicant family is assigned the appropriate preference and retains its relative place on the applicant waiting list according to the date and time HACLA established for the original application.

5.18 Income Targeting

During each HACLA fiscal year Congress and HUD require HACLA to meet certain income targeting requirements for new admissions to its programs.

5.18.1 Tenant-based Income Targeting and Restrictions On Admission

To insure that HUD's income targeting requirements are met, HACLA may for certain periods of time, at the sole discretion of the President and CEO, limit the issuance of vouchers in the tenant-based program to only those families who are income targeted families. During such periods vouchers are offered to income targeted families according to the family's date and time placement on the application waiting list.

HACLA may limit issuance by:

1. Limiting draw-downs from the waiting list to families whose declared family income meets the income targeting requirements, or by
2. Postponing or "freezing" the issuance of vouchers to families who do not meet income targeting requirements after the family has been interviewed and family income has been verified.

Families who do not meet income targeting requirements as a result of the income eligibility review are advised in writing that the processing of their application is being placed on hold but that they will retain their date and time placement on the waiting list. Such families are also advised to notify HACLA if there is a change in family income which would qualify them as income targeted families.

The President and CEO at his/her sole discretion, based on the recommendation of the Section 8 Director, determines at what times and under what conditions HACLA shall or shall not issue vouchers to families other than income targeted families (non-targeted families). The President and CEO has discretion to limit the issuance of vouchers to non-targeted families to a certain number of applicants, to a certain period of time or to use other means of limiting voucher issuance so long as when the limitation measures are lifted non-targeted families are serviced in order of their overall date and time placement on the waiting list with respect to all other applicants.

Any decision to limit the issuance of vouchers to only targeted families is a discretionary administrative decision which is not subject to the informal review process.

Notwithstanding all of the above elements of this section, once HACLA has issued

a voucher, HACLA may not rescind the voucher, shorten the term of the voucher, refuse to extend the voucher, or delay or refuse preparation or execution of a legitimate HAP Contract for any reason or purpose related to income targeting unless such action has been authorized by the President and CEO in writing.

5.18.2 Income Targeting – Project-based Programs

If HACLA determines that admission of a non-targeted family to a project or project-based program will result in the project (or program) being unable or unlikely to meet income targeting requirements for HACLA's fiscal year, HACLA may deny admission of non-targeted families to that project or project-based program until the project has admitted a sufficient number of targeted families to insure, to HACLA's satisfaction, that targeting requirements for the fiscal year will be met.

5.19 Denial of Admission

At the time HACLA determines income, eligibility and preferences, HACLA also attempts to ascertain by interviews, certified statements and research (including, but not limited to, the possible use of criminal history, background or activity reports) whether the applicant family falls into any category for which it may or must be denied admission to an assisted housing program. The reasons for which HACLA will deny admission are listed in Chapter 13, *Terminations and Denials*, of this Administrative Plan.

If reasons for denial are discovered, the applicant family is immediately notified and allowed an opportunity to request an informal review or, in the case of denial due to U.S. citizenship or residency status, an informal hearing. [See Chapter 14, *Complaints and Hearings*, of this Administrative Plan.] If a denial is upheld or is not appealed, the family is removed from the waiting list.

5.20 PBV and Tenant-based Section 8 Screening

HACLA screens all applicants and referrals to its PBV and tenant-based Section 8 programs and all proposed additions to an existing household in these programs by requiring each adult member of the proposed household to sign a consent form which authorizes a check of criminal history records.

For referrals to the HUD-VASH program see Chapter 19 for special screening requirements.

HACLA may perform, or cause to be performed on its behalf, a check of criminal history records of each adult member of the proposed household. HACLA determines

whether to allow the members of the household, or the proposed addition to the household, to be admitted to the applicable program on the basis of HUD requirements and the requirements of Chapter 13, *Terminations and Denials*, of this Administrative Plan.

If necessary to access criminal records or to determine his or her correct identity, the adult household member may be required to submit fingerprints to HACLA or its agent.

If any adult household member refuses to sign a consent form or refuses to submit fingerprints, the family is removed from the waiting list.

If an adult person whom the family requested to be added to the household refuses to sign a consent form or refuses to submit fingerprints, that person is denied admission to the household.

HACLA reserves the right, with HUD approval, to use criminal history records maintained by law enforcement agencies as a means of determining prior criminal action of participants in, as well as applicants to, its assisted housing programs.

5.20.1 Informal Review and Criminal Records

If HACLA proposes to deny admission for criminal activity as shown by a criminal record, HACLA must provide the subject of the record and the applicant with a copy of the criminal record information. HACLA must provide the family or individual an opportunity to dispute the accuracy and relevancy of the record in an informal review.

5.20.2 Information to Owners About Criminal Records

The requirements of Section 5.22, *Additional Project-based Screening*, below, shall apply to all circumstances in which project-based owners request HACLA to perform any criminal history check on participants or any criminal history check on applicants which exceeds HACLA criteria for routine screening.

5.21 Additional Project-based Screening

This Section 5.21 and its subsections will be implemented in accordance with procedures being reviewed by General Counsel as part of HACLA's due diligence review.

5.21.1 Use of Criminal Records

Upon the written request of project-based owners, in accordance with governing regulations and directives issued by HUD, HACLA must perform or cause to be

performed on its behalf, a check of criminal history records for applicants or participants in project based programs, except as set forth in Section 5.21.3, *HACLA Authority to Refuse Owner Requests for Screening*, below.

HACLA may make use of information obtained through sources other than criminal history checks (such as independent databases) to meet the owner's screening needs.

5.21.2 Screening Requirements

HACLA will determine whether the screening requirements of the owner are appropriate in accordance with HUD regulations. HACLA will also determine whether the owner meets all Federal, State and local requirements related to obtaining, providing, using, safeguarding and destroying criminal history information. With respect to the Jordan Downs Redevelopment site only, neither HACLA nor the Owner may screen any household or family with a Declaration of Right to Retain Tenancy. Households displaced by the Jordan Downs Redevelopment, whether pursuant to the RAD Program or otherwise, have the right to return to the redeveloped site. To the extent allowable by law, HACLA will extend this prohibition of rescreening and right to return to any household or family in the same situation at other public housing redevelopment sites.

5.21.3 HACLA Authority to Refuse Owner Requests for Screening

HACLA shall not provide criminal history information to any owner who does not comply with approved procedures or who fails to meet all Federal, State and local requirements with regard to obtaining, using, safeguarding and destroying such information.

5.21.4 Opportunity for the Family to Dispute

In accordance with HUD regulations, prior to providing an owner with any HACLA determination that a family has failed to meet the owner's rightful screening standards because of information obtained through screening, HACLA shall provide the subject of the record and the applicant or tenant with a copy of such information and an opportunity to dispute the accuracy and relevancy of the record.

5.21.5 Charges to Project-based Owners

At the sole discretion of the President and CEO, HACLA may charge owners for the cost of screening in accordance with HUD regulations.

5.22 Desirability of Family

Except as indicated in Section 5.20, *PBV and Tenant-based Section 8 Screening*, and Section 5.22, *Additional Project-based Screening*, above, HACLA does not make any determinations regarding a family's behavior or suitability for tenancy. Landlords and owners in the assisted housing programs are solely responsible for selecting tenants and for determining whether a family is suitable for tenancy. [See also Section 11.1, *Information to Prospective Owners*, of this Administrative Plan.]

5.23 Removal from the Waiting List

An application is removed from the waiting list for the following reasons:

1. The application form or other correspondence is returned by the U. S. Postal Service as “undeliverable” in accordance with Section 5.11 of this Administrative Plan;” [But see also Section 5.30, *Reasonable Accommodation*, of this Administrative Plan.]
2. The application is a duplicate application [See also Section 3.1.16, *Duplicate Applications*, of this Administrative Plan.]
3. The applicant is ineligible due to income;
4. The applicant is ineligible due to U.S. citizenship and immigration status requirements; [But see 24 CFR part 5, subpart E for limitations.]
5. The applicant resides out of City limits and is unwilling to participate in the tenant-based program within the City limits for one year; [But see Chapter 8, *Portability*, for requirements and exceptions.]
6. The applicant fails to appear for an interview or appointment; [But see also Section 5.30, *Reasonable Accommodation*, of this Administrative Plan.]
7. The applicant fails to provide information requested by HACLA or to return forms or other correspondence within a reasonable period of time as determined by HACLA; [But see also Section 5.30, *Reasonable Accommodation*, of this Administrative Plan.]
8. The applicant refuses an offer of tenant-based assistance;
9. The applicant requests to be removed from the application waiting list;
10. HACLA denies the applicant admission to the program; [See Chapter 13, *Terminations and Denials*, of this Administrative Plan.]

Chapter 5: MANAGING THE APPLICANT WAITING LIST

11. The applicant has not located a suitable unit within the initial period of the voucher or within any extension(s) given;
12. The applicant is deceased;
13. Any adult member of an applicant's proposed household does not sign a consent to check criminal history records or does not provide fingerprints as may be needed to process a criminal history records check;
14. As a result of a criminal history, background or activity check or for other lawful reasons the family as constituted will be denied admission to assisted housing and HACLA offers assistance with conditions to the family but:
 - a. The family does not accept the conditions, or
 - b. An adult member of the approved family does not sign HACLA's agreement specifying the conditions on assistance within a reasonable period of time;
15. The applicant is required to be removed from the waiting list or denied admission for other reasons specified by HUD.

5.24 Family's Request to Withdraw an Application

The head of household may, at any time prior to initial contracting, request that the family's application be withdrawn from the waiting list. Such requests must be in writing and must include the head of household's name, social security number (or date of birth), signature and date. If the listed head of household is deceased, the spouse or co-head may make a written request on presentation of a copy of the death certificate of the head.

HACLA staff will process the withdrawal in the same manner as all other withdrawals. Staff will mail a notice of withdrawal to the head of household (or spouse or co-head as applicable) and maintain a copy of the written request and the withdrawal notice in the family's hardcopy file.

5.25 Re-determination of Interest

From time to time, but not more than annually, HACLA may send queries to all or a portion of the applicant families on its waiting list to determine whether the family is still interested in housing assistance. If a family fails to respond to a letter of interest within the time period and manner specified in the letter, the family shall be removed from the waiting list in accordance with the provisions of Section 5.10, *Applicant's*

Failure to Respond or Section 5.11, *Return of Correspondence by the U.S. Postal Service as Undeliverable*, of this Administrative Plan.

5.26 Notification of Removal from the Waiting List

In those cases in which HACLA correspondence is returned by the post office as undeliverable, so long as the correspondence was properly addressed, the applicant is removed from the waiting list with no further action.

In all other cases, HACLA notifies the applicant of HACLA's intent to remove the family from the waiting list in writing. The notification states briefly the reason for the withdrawal and the right of the family to request an informal review (or in the case of a withdrawal for failure to meet U.S. citizenship and immigration status requirements, an informal hearing) within 30 days of the date of the notification. If no request for review (or hearing) has been received within the 30 day period, or if the withdrawal is upheld, the application is withdrawn.

[See also Section 14.6, *Informal Review –Applicants*, of this Administrative Plan]

5.27 Reapplying for Assisted Housing after Removal from the Waiting List

Once an applicant family has been removed from the applicant waiting list, the family may reapply on or after the date of the removal provided that the waiting list is currently open. If the list is not open at the time of removal, the family may reapply at the next opening of the waiting list. At the time of removal, any duplicate application(s) on file shall also be considered withdrawn and shall become invalid. [See also Section 3.1.16, *Duplicate Applications*, of this Administrative Plan.]

5.28 Documentation of Withdrawals

Withdrawals are documented in HACLA business system. Staff shall retain all documents, letters, and other information concerning the family's selection from the waiting list, income and eligibility determinations, the notice of withdrawal and any other information such as requests for, and the results of, informal reviews in a client hardcopy file which must be maintained and available for HUD review for a period of three years after the year in which the final action was taken. Withdrawal notices will be mailed to the family even if the withdrawal is due to the request of the family.

Once a withdrawal has been entered into the waiting list database, only the Assistant Director of APIC or an APIC Manager, after providing a signed, written authorization for the file, may reinstate the application in the waiting list database.

5.29 Reinstatement to the Waiting List

Once the family has been notified of its withdrawal from the waiting list and the 30-day period to request an informal review has expired, the family's application will not be reinstated to the waiting list unless:

1. The family proves that the withdrawal was due to a disability as provided for in Section 5.30, Reasonable Accommodation, of this Administrative Plan
2. An administrative error occurred, or
3. Mitigating circumstances beyond the applicant's control not related to disability, including but not limited to an applicant family that is out of the state when appointment letter was mailed.

The family is responsible for providing documentation or evidence to support the claim of disability or other mitigating circumstances. The family must use the informal review process of HACLA to make its case.

A family that cannot establish that a disability, an administrative error or mitigating circumstances was the reason for withdrawal may only re-apply for assistance during an open application period and thereby receive placement on the waiting list based on the date and time of the new application and any claimed preference(s) for which the family may be eligible at that time.

A reinstatement to the waiting list, for any reason, must have the signed, written approval of the appropriate APIC Manager. Only the APIC Manager or the Assistant Director of APIC may reinstate a withdrawn application to the waiting list in HACLA's business system.

All requests for reinstatement to the waiting list shall be processed in the same manner as that used by HACLA's informal review process.

5.30 Reasonable Accommodation

If an applicant whose family includes a person with a disability has been withdrawn from the waiting list or is about to be withdrawn because it failed to respond in a timely manner to mailed notices or to other requests by HACLA or because it failed to report a change in the family's place of residence, and the family indicates that the cause of the failure was due to the disability of the family member, the family shall be entitled to the informal complaint procedure. [See Section 14.4, *Informal Complaint*, of this Administrative Plan.] The burden of proof that the disability of the family member caused the failure to respond lies with the family. If the results of the informal complaint process support the family's claim, HACLA, as a reasonable accommodation, must reinstate the family in the family's former position on the waiting list.

Notwithstanding the above, since regulations require HACLA to maintain application records for only three years after HACLA has determined an applicant to be ineligible, HACLA shall consider any request for accommodation and reinstatement to the waiting list to be unreasonable if the request is made more than three years after the family has been withdrawn. Under such circumstances the request for accommodation shall be denied.

See HACLA Manual of Policy and Procedure Chapter 125:1, *Nondiscrimination on the Basis of Disability and Reasonable Accommodation Policy and Procedure*, Appendix 3 of this Administrative Plan, for additional information on reasonable accommodation.

5.31 Issuing the Voucher – Preferences

Families are issued a voucher in accordance with the preference system adopted by HACLA Board of Commissioners in accordance with HUD regulations. [For a discussion of preferences see Section 5.16 and Section 5.17 of this Administrative Plan.]

5.32 Issuing the Voucher - Personal Appearance

HACLA shall issue a voucher only to the head of household as established by the family and only in a face-to-face session. The head of household must provide appropriate personal picture identification at the time of issuance and must sign the voucher as the "family representative." For the purpose of reasonable accommodation, a person verified to hold a durable power of attorney, or to be a court appointed conservator, may act on behalf of the head, but only in a face-to-face context and as indicated above. HACLA, at its sole discretion, may choose to conduct a home visit in order to meet the requirements of this section.

No other agency or housing authority shall be allowed to issue a HACLA voucher on behalf of HACLA unless the issuance conforms to the above requirements.

5.33 Issuing the Voucher in the Tenant-based Program

When HACLA has determined that the applicant family is eligible for assistance and that the family has met all the requirements for admission to the appropriate assisted housing program and that there are no grounds for denial of admission, HACLA issues the family a voucher (subject to the income targeting provisions in Section 5.18 above). HACLA schedules briefing and issuing sessions for groups of applicants based on the date and time the family met all program requirements.

Information on the term of the voucher and actions following the issuance of the voucher may be found in Chapter 10, *General Program Standards*, of this Administrative Plan.

NOTE: 24 CFR Part 5, Subpart E, Restrictions on Assistance to Non-citizens, regulates PHA actions with regard to the delay, denial, reduction or termination of assistance because of the immigration status of family members.

5.34 Admission to Project-based Programs from the Waiting List

When HACLA has determined that the applicant family is eligible for assistance and that the family has met all the requirements for admission to the appropriate project-based assisted housing program and that there are no grounds for denial of admission, HACLA admits the family to the program (subject to the income targeting provisions of Section 5.18 above).

The starting date for housing assistance is determined by HUD regulations for the program.

NOTE: 24 CFR Part 5, Subpart E, Restrictions on Assistance to Non-citizens, regulates PHA actions with regard to the delay, denial, reduction or termination of assistance because of the immigration status of family members.

5.35 Suspension of Activity

HACLA may at any time suspend the processing of applications and suspend issuing or extending certificates or vouchers if it appears that funding will be insufficient to administer such certificates or vouchers.

HACLA may resume such activities when it determines that sufficient funding will be available.

The order for issuing vouchers should be:

1. HUD-Veterans Affairs Supporting Housing Program
2. Family Unification Program (FUP)
3. Non-Elderly Disabled (NED)
4. Referrals to Special Programs under the Project-Based component
5. Referrals to Special Programs under the Tenant-Based component
6. Elderly, Disabled families
7. Non-Elderly, Non-Disabled families with children
8. Non-Elderly, Non-Disabled families with no children

Chapter 6 FAMILY CONCERNS AND POLICIES

6.1 Definition of Family

For Section 8 and other assisted housing programs a family is defined as:

A single person of legal age, status and capacity to enter into a contract in accordance with State and local law; or

Two or more persons who will live regularly in the same dwelling unit and who may be related by blood, marriage, or legal obligation (e.g. foster children, adopted children, wards of the court), or who have evidenced a stable family relationship, and any persons who have been approved by HACLA as an adult co-tenant(s). The group must be headed by a person who is of legal age, status and capacity to enter into a contract in accordance with State and local law. Children who are temporarily absent from the home due to placement in foster care shall be included in determining family composition and family size.

6.2 Legal Capacity of Persons with Disabilities

A person with a disability (principal) (See the Glossary for the definition of “principal.”) may meet the requirement of legal capacity to enter into a contract referred to in Section 6.1 above if the lease will be signed on the principal’s behalf by:

1. A court-appointed conservator of the principal; or
2. A person holding a durable power of attorney with respect to the personal and family maintenance for the principal; or
3. In the case of a developmentally disabled adult, either the adult or a court-appointed limited conservator depending on whether the court has specifically granted appropriate power to the limited conservator.

HACLA does not require a family to have a live-in aide to meet legal capacity requirements.

6.2.1 Policy for Conservators and Attorneys In Fact

HACLA does not require a conservator, a limited conservator or an attorney in fact to reside in any specific locality.

The conservator or attorney in fact is legally responsible for all program requirements incumbent on the conservatee or principal depending on the authorizing document.

If a conservator or attorney in fact will sign the lease on behalf of a family member the following policies apply:

1. A conservator or attorney in fact must provide suitable identification for himself and the principal and provide the current and permanent address of the principal.
2. A conservator must provide HACLA with a copy of the court order appointing the conservator including the current address of the court and any subsequent orders relating to the conservatorship. The copy is retained in the family's file.
3. An attorney in fact must provide HACLA with a copy of the instrument that created the durable power of attorney. The copy is retained in the family's file. [See "Durable power of attorney" in the glossary for information on legal sufficiency requirements.]
4. The conservator or attorney in fact must sign a statement that provides:
 - a. The mailing address and current phone number of the conservator or attorney in fact, and
 - b. A certification that he or she will notify HACLA immediately in writing of any change in his/her address and phone number and of any change in the status of the conservatorship or power of attorney.

6.2.2 Ability to Meet Program Requirements

HACLA makes no inquiries about a person's abilities to meet program requirements that are not made of all applicants or participants of the same assisted housing program.

An applicant with disabilities may be denied admission to an assisted housing program if:

1. He or she is not capable of meeting the essential eligibility requirements, with or without supportive services provided by persons other than HACLA; and
2. There is no reasonable accommodation that HACLA could provide which would enable the applicant to participate in and benefit from the program.

HACLA is not required to provide accommodations that would result in a fundamental alteration of the program, or impose any undue financial and administrative burden.

6.2.3 Contact Information

HACLA maintains contact information on a conservator or attorney in fact and may provide this information to the owner.

HACLA may provide the name and means of contacting a family member's health service provider or approved caseworker to an established or prospective owner or landlord ONLY with the prior written consent of the family member or, as appropriate, the conservator or attorney in fact.

6.2.4 Actions Outside the Scope of HACLA

HACLA does not make any determinations regarding a family's behavior or suitability for tenancy (See Section 5.23, *Desirability of Family*, of this Administrative Plan). However, to affirmatively further fair housing activities, HACLA may provide assistance to applicants who have not been successful in finding housing on their own.

Although HACLA employees may discuss the requirements of the Fair Housing Act and Section 504 of the Rehabilitation Act of 1973 with the landlord and the family, HACLA staff does not recommend, negotiate, require, endorse or approve any amendment of the lease normally used by the owner for unassisted families to accommodate a person with a disability nor does it recommend, negotiate, require, endorse or approve any agreement outside the lease. Such amendments and agreements may violate Fair Housing laws. HACLA refers the landlord and the family to their attorneys, to legal aid or to Fair Housing for advice on any such matters.

[For additional information on Reasonable Accommodation see Section 2.10, *Objective X: Providing Reasonable Accommodation*, of this Administrative Plan and HACLA Manual of Policy and Procedure Chapter 125:1, *Nondiscrimination on the Basis of Disability and Reasonable Accommodation Policy and Procedure*, Appendix 3 of this Administrative Plan.]

6.3 Definition of "Continuously Assisted Family"

HACLA considers a family to be continuously assisted under the 1937 Housing Act if the family is already receiving assistance under any 1937 Housing Act program when the family is admitted to the tenant-based program.

A brief interruption between assistance under one of these programs and admission to the tenant-based program shall not be considered a break in the continuity of assistance as long as:

1. The participant was qualified to enter the subsequent program at the time participation in the prior program was terminated; and

2. The interruption of assistance was not caused by the family's willful violation of program regulations; or
3. The termination of assistance under the earlier program was not due to the family's willful violation of program regulations.

6.4 Verification of Family Composition

The applicant family must declare its family composition. To verify family composition HACLA requires the following:

1. Proof of marital status (including separation or divorce);
2. Proof of relationship by blood, marriage, law or legal obligation;
3. Proof that unrelated persons have resided together as a stable family unit prior to admission to the tenant-based program.

The methods of verification shall be set forth in procedural bulletins or memoranda.

Additions to the family must provide proof of marital status, relationship or verification from a federal, state or local government agency already providing assistance for the care and/or financial support of individual at the time the head of household requests their addition to the family.

6.5 Shared Custody - Dependent Deductions and Bedroom Size:

When a court provides more than one family custody of a child and one family lives in assisted housing, the assisted family receives the dependent deduction and the child is counted toward the family size if the assisted family has primary custody (more than 50 percent).

If custody is shared equally, then the child and the deduction are accorded as follows:

1. To the family that contains the person who receives TANF for the child(ren),
or
2. If no TANF is received, then to the person who claims the child(ren) as a dependent for Federal income tax purposes, or
3. If the child is not claimed on Federal tax forms, to the person who claims the child(ren) as a dependent for State income tax purposes, or
4. If no tax forms are filed by either family, or if more than one family shares

custody of a child and both live in assisted housing, then the head of households of each assisted unit must designate in writing which participant family will receive the benefit of the deduction (and the bedrooms to accommodate the child(ren)). If the participant families cannot agree, then all the child(ren) are recorded as being in the household of the participant family with the greatest annual income and that family will receive the child deduction(s) and the allocation of bedrooms.

When more than one family shares custody of a child and both live in assisted housing, only one family can claim the dependent deduction for the child(ren). Likewise the child(ren) must be counted in only one family when determining the family voucher size.

The family that will receive the deduction and bedroom allocation is determined as above. If no tax forms are filed by either family, then the family heads must designate in writing which family will receive the benefit of the deduction (and the bedrooms to accommodate the child(ren)). If the families cannot agree, then all the child(ren) are recorded as being in the household of the family with the greatest annual income and that family receives the child deduction(s) and the allocation of bedrooms for the child(ren).

6.6 Proof of Identity

6.6.1 Applicant Identification

HACLA requires each adult member of an applicant family to provide proof of identity in the form of a government issued photo identification card. The card must, at a minimum, identify the adult by name and date of birth and must be a valid, unexpired, card.

Failure to provide appropriate identification shall not be sufficient to delay the interview process, but failure to provide appropriate identification or documentation that the family has undertaken actions to obtain proper identification, within 30 days of HACLA's request shall be considered grounds for denial of assistance.

A live-in aide must provide a photo identification card at the time the family requests HACLA approval of the aide. The card must be valid (not expired) and must, at a minimum, identify the aide by name and birth date, but need not be of government issue. If the photo identification is not government issued, the aide must also provide one additional form of identification. A copy of both forms of identification must be maintained in the client folder for as long as the aide resides with the family.

No adult shall be admitted to an assisted housing program unless he or she has provided HACLA with a valid photo identification card. If a valid photo identification card is not available due to declared disasters or emergencies, whether due to

natural calamity (e.g., earthquake), civil disturbance, public health emergencies, or other cause recognized by the Local, State or Federal government, HACLA may use for the initial leasing process a certified statement and/or documentation that the family has undertaken actions to obtain proper documentation. For these instances, HACLA will obtain a valid photo identification card at the time of processing the annual reexamination. A copy of each identification card shall be maintained in the client folder. HACLA shall attach the identification or certified statement, if applicable, to any request for a criminal history check.

When minors in the assisted family reach the age of 18 they shall be required to provide a government issued photo identification card for the client folder at the first reexamination of income following their 18th birthday.

6.6.2 Participant Identification

At the time of any annual reexamination, including one performed at the time of re-contracting, each adult member of the family must provide proof of identity in the form of either:

1. A government issued photo identification card, or
2. A Foreign Consulate Identification Card approved by the Los Angeles City Clerk (for Argentina, Mexico, and the Republic of Korea or as additionally posted at <http://cityclerk.lacity.org/consulate/index.htm>).

A live-in aide must provide a photo identification card. The card must be valid (not expired) and must, at a minimum, identify the aide by name and birth date, but need not be of government issued. If the photo identification is not government issued, the aide must also provide one additional form of identification. A copy of both forms of identification must be maintained in the client folder for as long as the aide resides with the family.

All identification must be valid and current. If the identification card states a residence address, this must be the same as the assisted unit. HACLA follows State law requirements to update residence address within 10 days of address change.

Failure to provide appropriate identification shall not be sufficient to delay the reexamination process, but failure to provide appropriate identification, or documentation that the family has undertaken actions to obtain proper identification, within 30 days of HACLA's request shall be considered a violation of the family's obligations and grounds for termination of assistance.

A copy of the most recent identification shall be maintained in the client file.

6.7 Provision of Social Security Numbers

HACLA requires a complete and accurate social security number (SSN) be provided for each member of a family. HACLA requires documentation of the SSN. If any member of the family has not been assigned a SSN, that person must complete a certified statement that describes why no social security number has been issued. If the person is under the age of 18, the certified statement must be completed and signed by that person's parent or guardian.

The documentation necessary to verify the SSN of an individual is a valid social security card issued by the Social Security Administration. If a social security card is not available, one of the following documents may be used to document the correct number if it includes the member's social security number.

- Identification card issued by a federal, state, or local agency;
- Identification card issued by a medical insurance company or provider (including Medicare and Medicaid);
- Identification card issued by an employer or trade union;
- Military or Veteran's Administration records;
- Benefit award letters from government agencies;
- Retirement benefit letter;
- Life insurance policies;
- Official Court records (recorded real estate records, tax notices, marriage and divorce, judgment, or bankruptcy records)
- IRS form 1099.

For applicant families only, if a child under the age of six (6) years is added to the applicant household within six (6) months prior to the household's date of admission (or the date of voucher issuance), the applicant may become a participant, so long as the documentation listed above is provided to HACLA within 90 calendar days from the date of admission into the program (or the effective date of the Housing Assistance Payment contract). HACLA must grant an extension of one additional 90-day period if the Housing Authority determines that, in its discretion, the applicant's failure to comply was due to unforeseen circumstances and were outside the control of the applicant. If the applicant family fails to produce the documentation listed above within the required time period, HACLA must deny or terminate housing assistance.

For adult applicants if any of the verification documents listed above is not available due to declared disasters or emergencies, whether due to natural calamity (e.g., earthquake), civil disturbance, public health emergencies, or other cause recognized by the Local, State or Federal government, HACLA may use for the initial leasing process a certified statement and/or documentation that the family has undertaken actions to obtain proper documentation. HACLA can make any corrections or adjustments after the HUD form 50058 has been validated in IMS/PIC and made available to HACLA in the EIV system or at the time of processing the annual reexamination, whichever is first.

6.8 Proof of Age

HACLA requires proof of age for each member of the assisted family and any subsequent additions to the family.

The following are acceptable forms of age verification:

- Birth Certificate or Certificate of Verification of Live Birth,
- Other Official Record of Birth,
- Baptismal Certificate,
- Census Record or Census Document showing age,
- Driver's License,
- State ID Card,
- Other identification cards issued by a federal, state or local agency,
- A Foreign Consulate Identification Card approved by the Los Angeles City Clerk (for Argentina, Mexico, and the Republic of Korea or as additionally posted at <http://cityclerk.lacity.org/consulate/index.htm>),
- Adoption papers that specify age,
- Military discharge records,
- Naturalization certificate or other INS documents,
- Proof of receipt of old age benefits (SS or SSI for persons age 62 or older),
- Court records that specify a date of birth,
- Life insurance policies that specify a date of birth,
- Retirement Award or Benefit letters that specify a date of birth or age,
- Veterans Administration records,
- Valid passport.

6.9 Designation of Head of Household

Applicant families are presented with the requirements needed to obtain local preferences and eligibility for deductions from, and exclusions of, income including medical and handicap expense deductions. The family, based on this information, designates the head of household. The head of household must be a person of majority who will be wholly or partly responsible for rent payment. The head of household must be a signatory to the lease and may not be a minor or dependent. The family may gain extra deductions by designating this person or his/her spouse as head of household.

The head of household need not be the person who initially submitted the application. Families are allowed to designate or re-designate the head of household during the application process.

A participant family may re-designate the head of household at the time of any special or regular annual reexamination upon the written request of the current head of household so long as there is no conflict with Federal, State or local law or HUD regulation.

Notwithstanding the above, to change or modify information concerning the head of household on HACLA's waiting list, the requirements of Section 5.6, *Transferability and Requests to Modify Data in the Waiting List Database*, must be met.

6.10 Designation of a Co-head

The head of household may designate a family member as a co-head prior to initial leasing of an assisted unit or in conjunction with an annual or special reexamination. The following requirements apply:

1. If the head of household has a spouse as a family member, no person can be a co-head.
2. The co-head can never be a dependent.
3. The head of household must designate the co-head in writing.
4. The co-head must be an eligible person in accordance with program regulations and the requirements of Chapter 13, *Terminations and Denials*, of this Administrative Plan.
5. The co-head must be an adult and must agree in writing that he or she will be equally responsible for and a signatory to the lease.
6. The landlord must approve the co-head as a signatory to the lease and the co-head must be or become a signatory to the lease prior to final HACLA approval.
7. Once a co-head has been established, the co-head and family are treated as if the co-head were the spouse of the head of household for all program requirements and benefits including determinations of family income, exclusions to income and deductions.
8. Once a co-head has been established, that person can be removed as co-head if that person leaves the household permanently, but otherwise only prospectively in conjunction with an annual reexamination of family income and composition and only upon the written request of both the head and the co-head. The former co-head may remain a signatory to the lease. The status of any former co-head as a signatory to the lease must be resolved between the owner and the family and be in accordance with State law.

6.11 Admission of Additional Members to an Existing Household

[See Section 12.3.2.3, *Special Due to Change in Family Composition*, if applicable.]

HACLA, at its sole discretion, may approve the addition of persons to the assisted family's household at the written request of the head of household. Approval of such additional family members does not require the family to meet any income limits.

Chapter 6: FAMILY CONCERNS & POLICIES

Federal income limits are applicable only at the time of initial admission to the Section 8 program.

Addition of an adult family member may require a HAP proration or change in the HAP proration. [See Section 6.15, *Change in HAP Proration for Participants*, of this Administrative Plan.]

A person with a disability may request the addition of a person or persons to the household as a reasonable accommodation in accordance with Section 2.10, *Objective X: Providing Reasonable Accommodation*, of this Administrative Plan. See HACLA Manual of Policy and Procedure Chapter 125:1, *Nondiscrimination on the Basis of Disability and Reasonable Accommodation Policy and Procedure*, Appendix 3 of this Administrative Plan, for additional information on reasonable accommodation.

HACLA prohibits the addition of any person to the household who would normally be denied initial admission to the program in accordance with Chapter 13, *Terminations and Denials*, of this Administrative Plan.

An additional person may not be added to the household until he or she has met all program requirements, including providing social security numbers, information on citizenship status, and appropriate income release forms. The added member must sign an appropriate Statement of Family Obligations or Statement of Family Responsibilities.

Upon approval by HACLA, which shall always have a prospective effective date, the new household member is immediately subject to all the requirements, and receives all the benefits, of the assisted housing program.

In the tenant-based program, prior to allowing the addition of the household member, the existing head of household must secure the owner's written permission to add the new member to the household, unless the new member of the household is a minor dependent child (birth, adoption or court-awarded custody). If this cannot be obtained, the original head of household is given a voucher to search for housing which will accept the newly designated household.

If applicable, the requirements of the Rent Stabilization Ordinance of the City of Los Angeles (as amended) apply to any increase in the rent to owner which is allowed when an additional person is added to the tenant household. However, HACLA must determine that the rent to owner is reasonable in accordance with the HAP Contract and that the owner abides by the terms of the lease and lease addendum prescribed by HUD. [See Section 11.19, *Changes in Rent to Owner*, of this Administrative Plan for information on the Rent Stabilization Ordinance.]

6.12 Live-in Aide

A live-in aide is not required to have citizenship or eligible immigration status. The aide must, however, provide a valid (unexpired) photo identification card that at a minimum indicates the aide's name and birth date. If the photo identification is not of government issue, the aide must also provide one additional form of identification. Identification documents must be attached to any request for a criminal history check.

For information concerning the appropriate family unit size when HACLA has approved a live-in aide for a family see Section 10.8.1, *Subsidy Standards for New Admissions*, and Section 10.8.2, *Table 2, Continuing Participation*, of this Administrative Plan.

6.12.1 Approval of a Live-in Aide

HACLA may approve a live-in aide for a family upon verification of need by a provider/worker subject to Section 13.3, *Refusal to Approve a Live-In Aide*, of this Administrative Plan.

If applicable, the requirements of the Rent Stabilization Ordinance of the City of Los Angeles (as amended) apply to any increase in the rent to owner which is allowed when an additional member is added to the tenant household. However, HACLA must determine that the rent to owner is reasonable in accordance with the HAP Contract and that the owner abides by the terms of the lease and lease addendum prescribed by HUD. [See Section 11.19, *Changes in Rent to Owner*, of this Administrative Plan for information on the Rent Stabilization Ordinance.]

HACLA will administer the approval of live-in aides in accordance with 24 CFR § 5.403, which defines a live-in aide as a person who resides with one or more elderly persons, or near-elderly person, or persons with disabilities, and who:

- (1) Is determined to be essential to the care and well-being of the persons;
- (2) Is not obligated for the support of the persons; and
- (3) Would not be living in the unit except to provide the necessary supportive services.

6.12.2 Implementation of HUD PIH Notice 2014-25, Over Subsidization in the Housing Choice Voucher Program

In accordance with Section 10.8.1, *Subsidy Standards for New Admissions*, HACLA provides an additional bedroom to the family unit size to accommodate an approved live-in aide. In order for a family to receive a voucher with an additional bedroom for a live-in aide, the aide must:

1. Personally appear at HACLA offices;
2. Provide a picture ID as required by Chapter 6;
3. Complete a certified statement indicating that the assisted unit shall be the

aide's primary residence and that the individual meets the regulatory definition of a live-in aide (24CFR 5.403):

- (1) Is determined to be essential to the care and well-being of the persons;
 - (2) Is not obligated for the support of the persons; and
 - (3) Would not be living in the unit except to provide the necessary supportive services;
4. Sign a Family Obligations statement separately from the family members; and
 5. Undergo a criminal history check and any other procedures required by Chapters 5 and 13 of the Administrative Plan to determine whether the aide should be allowed in the household.
 6. Be eighteen years or older at the time the application is submitted. If the proposed live-in aide is an emancipated minor, proof of emancipation must be provided.

HACLA shall not issue a voucher of a larger bedroom size to accommodate a live-in aide unless and until an aide has met the above five requirements and has passed a criminal history check. [See Table 1 of Section 10.8.1, *Subsidy Standards for New Admissions* of the Administrative Plan for the family unit size.] If the live-in aide (LIA) has a dependent or other family member who is expected to reside in the unit and is eighteen years of age or older, the LIA's dependent or family member must provide a picture ID, sign Family Obligations and undergo a criminal history check.

6.12.3 Retaining an Additional Bedroom for a Live-in Aide

At each annual reexamination the family's live-in aide shall appear at HACLA's office with the family to recertify that he/she resides at the unit. At that time the aide shall be required to sign a Family Obligations statement separately from the family members.

If a family's voucher bedroom size (family unit size) exceeds the standards of Table 1 of Chapter 10 due to HACLA's earlier approval of a live-in aide and authorization of an additional bedroom for the aide, but the family does not produce the aide within 60 days prior to the proposed effective date of the annual reexamination, or the aide fails to comply with the requirements of this section, the family's voucher shall be downsized at that reexamination to the number of bedrooms allowed under Table 1 of Chapter 10 without the accommodation of an additional bedroom for the live-in aide.

Once returned to the family unit size of Table 1, the family must re-verify whether it still has a need for a live-in aide through a provider/worker.

If the family re-verifies its need for a live-in aide and identifies a specific aide who subsequently meets all the requirements for a live-in aide in accordance with Section 6.12.2 above, HACLA will conduct a special reexamination and increase the voucher bedroom size (family unit size) by one additional bedroom to

accommodate the aide.

The special reexamination and change to the higher payment standard shall take effect not sooner than the first of the month following the month in which both of the following conditions are met:

- 1) The family has received HACLA's written approval to add the live-in aide to the household, and
- 2) The live-in aide has taken up residency in the unit.

6.12.4 Live-in Aide Added to Approved Family

A person previously approved by HACLA as a live-in aide (and therefore neither subject to reporting income, nor the beneficiary of any program rights) may, with the prior written approval of HACLA, be added to the assisted family at the written request of the head of household. This member may not be added to the family until he or she has met all program requirements, including providing social security numbers, information on citizenship status, and appropriate income release forms. The added person must sign an appropriate Statement of Family Obligations or Statement of Family Responsibilities.

Upon approval by HACLA, which shall always have a prospective effective date, the new family member is immediately subject to all the requirements and receives all the benefits of the assisted housing program.

In the tenant-based program, prior to allowing the addition of the member, the existing head of household must secure the owner's written permission to add the new member to the lease. If this cannot be obtained, the head of household is given a voucher to search for housing which will accept the newly designated household.

Notwithstanding the above, HACLA may deny addition to the household (or to the family) of any person who would normally be denied initial admission to the program in accordance with Chapter 13, *Terminations and Denials*, of this Administrative Plan.

6.13 Evidence of Citizenship

HACLA requires applicants and participants of its Section 8 programs to submit evidence of citizenship or eligible immigration status in accordance with the Housing Authority Manual of Policy and Procedure, Part II, Chapter 201:8 *Restrictions on Housing Assistance To Noncitizens*.

6.14 HAP Proration Due to Restrictions on Noncitizens

6.14.1 Proration at Initial Implementation of the Residency Rule

In accordance with HACLA policy at the time of the first regular re-examination of income after October 2, 1995, all current Section 8 participants were required to submit evidence of citizenship or eligible immigration status or to elect not to contend that one has eligible immigration status. Where applicable, the HAP for such families was prorated in accordance with 24 CFR Part 5, subpart E – Restrictions on Assistance to Noncitizens.

6.14.2 HAP Proration for Applicants

For applicant families, the HAP is prorated in accordance with the provisions of 24 CFR Part 5, subpart E – *Restrictions on Assistance to Noncitizens*.

6.15 Change in HAP Proration for Participants

If a change in family composition or in the citizenship or immigration status of approved members of a participant family would cause the HAP to be prorated or alter an existing proration, the following policies apply:

6.15.1 Discovery at an Annual Reexamination or at Re-contracting

If the change in family circumstances is discovered in conjunction with an annual reexamination or in conjunction with re-contracting for the same or a different unit, the revised proration is applied on the effective date of the reexamination or at the start of the new contract.

If the re-contracting is for the initial occupancy of a dwelling unit and the gross rent will exceed the applicable payment standard and the family share as a result of the proration will exceed 40 percent of the family's adjusted monthly income, the request for approval of tenancy must be denied.

6.15.2 Discovery When an Adult is Added to the Family

If an adult member is added to a participant family, HACLA applies the proration resulting from the addition of that person and any relative of that person being added to the family at the special reexamination required by Section 12.3.2.3, *Special Due to Change in Family Composition*, of this Administrative Plan. The proration will determine whether there is an increase or a decrease in the tenant rent.

6.15.3 Discovery at the Family's Request for Interim Review of Income

If in conjunction with a request for an interim reduction in rent the family reports a change in family composition or in the citizenship or immigration status of its approved members and imposition of a new or revised HAP proration required by those changes would increase rather than decrease the family share, the family share and rent is not changed and the family's request for an interim reduction in

rent is denied even though the TTP may have decreased.

The family is notified in writing that the HAP will be prorated to reflect the family's new circumstances at the next annual reexamination of income or the next re-contracting event, whichever is earlier, and of the expected change in family rent to owner due to the pending change in proration.

If the change in family circumstances leaves no eligible person in the family, Section 6.16.2, *Subsequent Loss of Eligibility*, also applies.

6.15.4 Discovery on Other Occasions

For changes in family circumstances relating to citizenship or immigration status discovered at any time other than those stated in Section 6.15.1 through Section 6.15.3 above the following policies apply:

6.15.4.1 Changes That Decrease the Family Share

If the family reports a change in the citizenship or immigration status of its approved members or a change in family composition that would cause the family share to be lowered by a change in an existing proration and the family provides acceptable proof of the change to HACLA, the proration is changed administratively effective the first of the month following the month in which the proof is provided. The family is not required to verify income for this administrative change.

6.15.4.2 Changes That Increase the Family Share

If the family reports a change in the citizenship or immigration status of its approved members or a change in family composition that would cause the family share to increase due to proration, the proration is changed at the next annual reexamination or the next re-contracting event, whichever is earlier.

The family is notified in writing that the HAP will be prorated to reflect the family's new circumstances at the next annual reexamination of income or the next re-contracting event, whichever is earlier, and of the expected change in family rent to owner due to the pending change in proration.

If the change in circumstances leaves no eligible person in the family, Section 6.16.2, *Subsequent Loss of Eligibility*, also applies.

6.16 Loss of Eligibility Due to Restrictions on Noncitizens

In Section 8 programs, if a participant family loses eligibility due to the fact that it no longer contains any citizens or immigrants eligible for assistance under the provisions

of 24 CFR Part 5, subpart E – Restrictions on Assistance to Noncitizens, HACLA terminates the family’s participation in the Section 8 program.

6.16.1 Initial Implementation of the Residency Rule

At the time of their first regular re-examination after October 2, 1995, families that were participants in Section 214 programs (listed at 24 CFR 5.500) received either continued assistance, deferral of termination of assistance or proration of housing assistance in accordance with federal regulations and HACLA policy. Actual termination of families that thereby received deferrals of termination of assistance was subject to approval of the Planning and Economic Development Department.

6.16.2 Subsequent Loss of Eligibility

If, subsequent to the initial determination of citizenship and immigration status at the time of the first regular re-examination after October 2, 1995, a participant family loses eligibility due to the fact that it no longer contains any citizens or immigrants eligible for assistance, the following provisions apply:

6.16.2.1 General

To provide time for an orderly transition out of assisted housing, and to prevent additional financial burden to the family under the terms of the family’s lease, HACLA terminates participation for the ineligible family at the end of the sixth month after the family’s ineligibility was discovered or at the end of the month in which the initial term of the family’s lease expires whichever is later.

At the time the family’s ineligibility is discovered, HACLA immediately provides the family with a written notice of proposed termination. The notice includes a brief explanation of the reasons for the proposed termination, an explanation of HACLA’s additional proposed actions indicated in the following paragraph, and an opportunity to request an informal hearing within 30 days after receipt of the notice. (HACLA presumes receipt is 5 days after the notice is mailed unless the family proves otherwise.)

If the family does not request a hearing within the 30-day time frame, then effective on the 31st day, or if the family requests a hearing but the hearing officer upholds the termination, then, effective on the date the hearing decision is rendered, HACLA shall not issue a voucher to the family, approve a lease, enter into a new assistance contract or process a portability move for the family prior to the family’s termination.

If the family requests a hearing, such hearing must take place in a reasonably expeditious manner and, in accordance with 24 CFR 5.514(f)(3), the hearing officer must render a written decision within 14 calendar days of the date of the informal hearing.

Unless the family is eligible for temporary deferral of termination (see Section 6.16.2.2, *Temporary Deferral of Termination*, below) HACLA processes changes in HAP proration in accordance with Section 6.15, *Change in HAP Proration for Participants*, of this Administrative Plan. At the family's next annual reexamination the HAP will be zero and the family will pay the full rent to owner.

6.16.2.2 Temporary Deferral of Termination

If the family was receiving assistance on June 19, 1995 under a Section 214 covered program (listed at 24 CFR 5.500) the family shall be entitled to temporary deferral of termination of assistance for an initial period not to exceed 6 months and an aggregate period not to exceed eighteen months beginning on the date HACLA indicated assistance would be terminated on its original notice to the family.

During the deferral periods HACLA retains the HAP proration applied to the family at the reexamination of income that immediately preceded the change in family circumstances that caused the family's ineligibility. If the HAP was not prorated at that reexamination it is not prorated during any deferral period.

HACLA follows the requirements of 24 CFR 5.518(b) with regard to temporary deferral of termination of assistance.

6.17 Family Absences

Housing assistance payments may only be paid to the owner during the lease term and while the family is residing in the unit. The family, however, may be absent from the unit for brief periods.

6.17.1 Determining Absence from the Unit

HACLA may determine that a family is absent from the assisted unit by direct contact or notification by the participant family, relatives of the family, owners, health care or other service providers. Absence may also be indicated by indirect means from inspection reports, returned correspondence or notices, inability to reach the participant, notification by neighbors or anonymous callers.

HACLA may inspect the unit or require the owner to inspect the unit to determine whether the family is absent. HACLA may require an owner to post a Notice of Abandonment to insure the tenant is not returning to the unit.

6.17.2 Allowable Absence from the Unit

A participant family may be absent from the unit for any reason for up to 30 consecutive days. Periods of absence between 31 days and 90 consecutive days are termed “extended absence” and require the prior approval of HACLA.

Extended absence may be approved by an appropriate supervisor for reasons of health, rehabilitation, convalescence, incarceration, situations arising because of domestic violence, dating violence, stalking, or other personal needs of the family.

Any absence, including an anticipated absence, beyond 90 consecutive days, whether determined prior to or after the start of the absence, will result in termination of the HAP Contract.

Exceptions to the 90-day limitation may be made if the family is required to temporarily relocate due to primary renovation of the unit in accordance with Section 11.19.4, *City RSO - Primary Renovation Program*. Such exceptions shall be granted only at the Manager level or higher and shall in no case exceed 180 consecutive days.

6.17.3 Readmission or Resumption of Assistance Following an Absence

If the participant family returns to the unit within 90 days of its first day of absence and the unit is still available, the HAP Contract may be continued.

No participant will be readmitted to the Section 8 or other assisted housing program beyond the 90 day period unless absence from the unit was due to the verified medical need of a member of the family authorized to live in the assisted unit. Medical need includes treatment in an inpatient drug or alcohol rehabilitation program.

With adequate proof of medical treatment, a participant may be readmitted to the Section 8 or other assisted housing program within one year of the date the HAP Contract was terminated without applying through the waiting list. In the case of treatment in a drug or alcohol rehabilitation program, the participant must provide proof of successful completion of the program.

In all other cases participation in the assisted housing program is terminated as of the date of the termination of the HAP Contract (or subsidy) and the family must reapply for assisted housing benefits through the normal waiting list procedures.

6.18 Readmissions and Reasonable Accommodations

Once a family has left an assisted housing program and any 30-day hearing period has expired, the family shall not be re-admitted except through HACLA's waiting list. The family must re-apply in accordance with normal waiting list procedures at such time that the waiting list is open.

The family will not be readmitted to the housing assistance program unless:

- The family proves that the termination was due to a disability as provided for in Section 5.30, Reasonable Accommodation, of this Administrative Plan, or
- An administrative error occurred.

HACLA will consider readmission of a family as a reasonable accommodation only for cases in which the family can establish that the disability of a family member caused the family to fail to appear for a hearing or to fail to request a hearing, or if the disability itself was a proximate cause of the family's removal from the program. The burden of proof in such cases is upon the family. In addition, the family must make the request for readmission within three years of the date the family withdrew from, or was removed from, the assisted housing program.

HACLA does not perform a criminal history check unless a member was added to the family while the family left an assisted housing program. If a criminal history check indicates that the added family member has engaged in any activity that would cause HACLA to deny assistance in accordance with Chapter 13, Termination and Denials, HACLA shall refuse to reinstate the family unless the added member is removed from the family.

Since regulations require HACLA to maintain records for only three years after the termination of assistance, HACLA shall consider any request for accommodation and readmission to the assisted housing program to be unreasonable if the request is made more than three years after the family's assistance was terminated and the request for accommodation shall be denied.

6.19 Family Break-up

To protect the interests of all parties, HACLA encourages adult members of families who are about to break up to seek legal representation and to enter into a legal agreement as to which party will retain the Section 8 or assisted housing benefits. In the absence of a court decree, settlement or other legal agreement, participants may mutually agree to the disposition of a certificate or voucher by submitting a notarized statement to HACLA signed by the party relinquishing participation.

6.19.1 Separation Without Prior Agreement Regarding Section 8 Benefits

A participant in the Section 8 and other assisted housing programs has property rights to the voucher. Therefore, if the family separates without agreement and

only one of the parties signed the original application, the voucher is awarded to the original signer of the application.

If both separating parties signed the original application, the voucher shall remain with the party who remains in the assisted unit. [But see Section 6.19.4, *Actual or Threatened Physical Violence*, below.]

6.19.2 Counseling by HACLA

In addition to encouraging separating families to seek legal counsel, HACLA will counsel separating families regarding the general procedures which the HACLA will use in determining which of the parties will retain Section 8 or other assisted housing benefits as described in Section 6.19.1, *Separation Without Prior Agreement Regarding Section 8 Benefits*, above so that the parties can make informed decisions.

6.19.3 Referral to Outside Agencies

In cases in which children, the elderly, or disabled family members may be adversely affected, or in which family members are threatened with violence, HACLA may refer the affected parties to appropriate city or county agencies for legal or other assistance.

6.19.4 Actual or Threatened Physical Violence

If a family member or group of members is forced to leave an assisted unit due to threatened or actual physical violence by another member of the assisted family, HACLA may, at its discretion, and based on a preponderance of evidence, terminate the participation of the member remaining in the assisted unit because of violent criminal activity and award the voucher to the other remaining members of the tenant family.

HACLA may impose, as a condition of continued assistance for the other (remaining) family members, that the family member who was responsible for the actual or threatened physical violence will not reside in the unit.

If the family member who was a victim of violence moves from the assisted unit, the family member must provide a certification of domestic violence in accordance with Section 6.19.5, *Certification of Domestic Violence*, below to be eligible for continued assistance.

6.19.5 Certification of Domestic Violence

HACLA requests that the family member making a claim of domestic violence, dating violence, sexual assault or stalking documents the abuse in writing. As

verification that a family member has been the victim of domestic violence, dating violence, sexual assault or stalking, HACLA will accept:

- 1) Documentation signed by an employee, agent or volunteer of a victim service provider, an attorney, or a medical professional, from whom the victim has sought assistance in addressing domestic violence, dating violence, sexual assault or stalking, or the effects of the abuse, in which the professional attests under penalty of perjury to the professional's belief that the incident or incidents in question are bona fide incidents of abuse, and the victim of domestic violence, dating violence, sexual assault or stalking has signed and attested to the documentation; or
- 2) A Federal, State, tribal, territorial or local police report or court record or order; or
- 3) A HUD approved certification form that includes the name of the perpetrator.

The certification must be provided within 14 business days of HACLA's written request. If not provided within 14 business days, HACLA may, at its sole discretion, extend the deadline or begin action to terminate the family from the program due to an eviction for good cause or due to criminal activity if supported by a conviction.

All information provided by the family in the above cases shall be retained in confidence and shall not be entered into a shared database nor provided to any related entity except to the extent that disclosure is:

- 1) Requested or consented to by the individual in writing;
- 2) Required for use in an eviction proceeding;
- 3) Otherwise required by applicable law.

Information on domestic violence, dating violence or stalking shall be entered into the Client Notes of HACLA business system.

6.20 Remaining Members of a Tenant Family

If the head of household leaves the Section 8 or other assisted housing program due to death or any other reason, any remaining adult in the household may be designated by the remaining family as the head of the remaining tenant family. If there are no adult persons in the remaining tenant family, HACLA may, at its discretion, allow assumption of the rights and responsibilities of the Section 8 or other assistance by another person related to the remaining tenant family by blood or marriage or action of a court, even though that person was not previously listed as a member of the family. If each remaining household member who is a minor is appointed to a different caretaker, HACLA has the sole discretion in determining which minor will be assisted to ensure that the best interests of the children are addressed.

In cases in which only foster children (or foster adults) are the remaining members of a tenant family, HACLA may provide continued assistance to the remaining tenant family. Upon designation of a new foster parent by the Los Angeles Department of Children and Family Services (or for foster adults, the new caregiver designated by the appropriate local entity) HACLA may, at its discretion, allow assumption of the rights and responsibilities of Section 8 or other housing assistance by the new foster parent (or caregiver) on behalf of the remaining tenant family. The foster parent (or caregiver) is designated as the head of household.

Only the original voucher may be used for continued assistance. HACLA does not issue additional vouchers in the case of the appointment of multiple foster parents or caretakers for the remaining tenant family.

HACLA has sole discretion in determining which remaining family members will be assisted in the case of a foster family break-up.

6.21 Family Responsibilities

Families are required to abide by the family responsibilities and obligations pertinent to the housing program under which the family is assisted. All families are required to report all changes in family income and composition and to request prior approval of HACLA before adding members to the household in accordance with the program regulations.

Prior to initial lease approval and contracting, at each annual reexamination and at any re-contracting event all adult family members of an assisted household are required to sign the appropriate HACLA form which states the family responsibilities and obligations for the housing program under which the family is assisted.

All adult family members of an assisted household are required to sign the form HUD-9886, Authorization for the Release of Information / Privacy Act Notice, (or any successor form) at the time of initial application, at each reexamination and at any re-contracting event.

6.22 Limitation Due to Inadequate Income

To prevent families from renting units for which the family income is clearly inadequate to pay rent and utilities, regardless of whether or not the unit gross rent exceeds the voucher payment standard, HACLA will not approve a tenant-based HAP Contract if, after any required proration of HAP, the tenant rent plus the allowances for utilities paid by the family exceeds the monthly gross income of the family prior to any income exclusion.

Because conversion of food stamps to cash is illegal, the cash value of food stamps shall not be counted when determining the family's monthly gross income in accordance with this section.

6.23 Family Notification Requirement

The family is required to provide to HACLA a copy of any HUD letter or notification to a family member that provides information concerning the amount or verification of family income.

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Chapter 7 INCOME AND ASSET DETERMINATIONS

7.1 General Considerations

HACLA uses the definitions of annual income, income limits and exclusions or deductions from income required by HUD. Methods of verifying income are contained in the Section 8 Annual Income Guidebook and in procedural bulletins and memoranda. HACLA requires Upfront Income Verification (Electronic Verification) wherever possible and third party verification of annual income, medical expenses, childcare expenses, and other allowable deductions and expenses. HACLA requires third party verification of excluded income insofar as required by HUD.

7.2 Hierarchy and Methods of Verification

HACLA verifies information using the six methods of verification acceptable to HUD in the following order of preference in accordance with PIH Notice 2018-18 dated October 26, 2018:

1. Upfront Income Verification (UIV), also called Electronic Verification (EV)
2. Upfront Income Verification (UIV) using non-HUD system
3. Written Third Party Verification
4. Written Third Party Verification Forms
5. Oral Third Party Verification
6. Tenant Certification

For each source of income, HACLA staff must complete a Section 8 Verification Hierarchy form, attach it to whatever forms or documents were used to verify income from that source and retain all such documents in the client's file.

7.2.1 Validity of Verifications

All verifications must be not more than 60 days old at the issuance of an initial voucher to an applicant family. For a participant family, verifications must be not more than 120 days old at the reexamination date or the starting date of a new contract. For third party written verification, as defined by Section 7.2.3 of this Administrative Plan, the documents should be dated within the 60 day period preceding the reexamination or HACLA request date.

Exceptions are:

- 1) For applicants:** Family-provided verification of Social Security and SSI income must have been received within 60 days of the voucher issuance and be not more than 60 days old on the date of receipt.
- 2) For applicants and participants:** verification of bank accounts - see Section 7.7, *Bank Account Verification*.
- 3) For delayed reexaminations:** the 120 day period is counted from the date the reexamination should have been effective had it been conducted on time. This is the "reexamination date" specified in Section 12.3.1 of this Administrative Plan.

Verifications received after that date are also valid.

[See also Section 7.6, *Validity Period of Verifications* for additional information.]

7.2.2 Electronic Verification (EV)

Electronic Verification (EV) must be used whenever it is available for staff use. HACLA staff shall access HUD's Enterprise Income Verification (EIV) system every time income verification is required for a participant family including all reexaminations of income, voucher issuances and re-contracting events. A copy of the EIV results shall be placed in the client's file including EIV queries that result in "no record."

At present the following sources of EV are available to Section 8 staff:

- HUD's Enterprise Income Verification (EIV) System (This system includes Social Security Administration and New Hire data),
- "The Work Number,"
- Data matching from the Los Angeles County Department of Public Social Services (DPSS),
- The California Employment Development Department (EDD) for current unemployment and State Disability Payment information.

HACLA may pursue other computer matching agreements with federal, state and local agencies or provide access to other data bases at a later date.

If HACLA does not have access to Electronic Verification for a particular type of income, written third party verification should be used. Staff must document the unavailability of EV on the Section 8 Verification Hierarchy form.

In accordance with PIH Notice 2018-18, Administrative Guidance for Effective and Mandated Use of the Enterprise Income Verification (EIV) System dated October 26, 2018, EV can be used as the sole source of income verification only when there is no contradictory information, the client does not dispute use of the data and the EV data comes from a source that updates data monthly. Such sources are:

1. "The Work Number,"
2. DPSS database matching,
3. Social Security Administration Payments reported by HUD's EIV System,
4. New Hire Data from HUD's EIV System,
5. Current unemployment and State Disability Payment information obtained from the California Employment Development Department (EDD).

EV data alone can never be used to justify termination actions. Such actions require third party verification in addition to EV.

7.2.3 Third Party Written Verification

If EV information cannot be accessed, third-party written verification is used to verify information. HUD defines acceptable written third party verification as an original or authentic document generated by a third party source dated within the 60 day period preceding the reexamination or HACLA request date. Such documentation may be in the possession of the participant (or applicant), is commonly referred to as tenant-provided documents, and may be delivered to HACLA by the participant (or applicant).

Examples of acceptable tenant-provided documentation (generated by a third party source) include, but are not limited to:

- Pay stubs (a minimum of two current and consecutive pay stubs),
- Payroll summary report,
- Employer notice/letter of hire/termination,
- SSA benefit verification letter,
- Bank statements,
- Child support payment stubs,
- Welfare benefit letter and/or printouts,
- Unemployment benefit notices,
- Pension benefit statements,
- Temporary Assistance to Needy Families (TANF) award letter, and
- Unemployment insurance or worker's compensation material.

Staff must evaluate the authenticity of tenant-provided documentation, reject any documents that appear fraudulent and follow up directly with the source to obtain necessary verification if any information appears questionable or altered.

If third-party written verification is not used, staff must document the reason(s) for not using it on the Section 8 Verification Hierarchy form.

Third-party written verification is not required when EV is authorized as a sole source.

It is illegal to reproduce (photocopy) a U.S. Treasury check. In addition, HACLA does not allow reproduction of a State check. If third party verification has failed and information from such checks must be used as verification, staff must complete an RE-35, Verification of Income – Check Witnessed. Staff will document why this method of verification is being used on the Section 8 Verification Hierarchy form and will staple it to all attempts at verification.

7.2.4 Third Party Written Verification Form

If tenant-provided documentation generated by a third party source cannot be accessed, third-party written verification form is used to verify information directly from the source of income. A copy of the third-party request for verification addressed to the third party and with a release signed by the family must be placed in the client's file. The form must include the date the information was requested. If third-party verification form is received, this copy is destroyed.

Only a verification form or request that HACLA staff has mailed, faxed or electronically or personally delivered to a third party and which the third party returns directly to HACLA via mail, fax, electronic or personal delivery is considered a third-party written verification form.

HACLA will allow ten working days for the return of third-party written verification forms. After 10 days, third-party oral verification must be attempted.

If third-party written verification form is not used, staff must document the reason(s) for not using it on the Section 8 Verification Hierarchy form.

Third-party written verification form is not required when EV is authorized as a sole source or when HACLA MPP Chapter 127:1 authorizes the use of client-provided information to support EV data or to substantiate a change in circumstances that contravenes information obtained through an EV source.

7.2.5 Oral Third Party Verification

Oral third-party verification will be used only when written third-party verification form is required but is delayed or was unsuccessful. If a third-party written verification form attempt has produced no response within 10 working days, HACLA staff will attempt oral third-party verification.

Staff must make at least three documented attempts to complete oral third-party verification within the next 5 working days.

Staff must document all attempts to make oral third-party verification on the Section 8 Verification Hierarchy form which is retained in the client file.

Documentation must include:

- Why oral verification is being attempted,
- The date and time of the telephone contact,
- The name of HACLA staff person attempting the contact,
- The name of the person or organization to whom the call was placed,
- The result of the call (busy, no answer, person not available, message left with person's name, title).

When oral third-party verification is obtained, staff must document on the Section 8 Verification Hierarchy form:

- The date and time of the telephone contact,
- The name and title of the person providing the information,
- The person's telephone number, and
- HACLA employee's signature and date.

The staff person must also document on the Section 8 Verification Hierarchy form why third-party written verification form was not used.

7.2.6 Tenant Certification

Client certification is the weakest form of verification. HACLA staff may accept a client certification only when information cannot be verified by Electronic Verification (EV), third-party verification or by a review of documents.

In some instances client certification may be the only means of verification available, for instance, when the person is self-employed but files no income taxes. In such cases the family member must complete either a HACLA RE-46 Certified Statement form or an RE-10 Record of Weekly Income which must be attached to a Certified Statement.

Staff must document on the Section 8 Verification Hierarchy form why this form of verification is being used. If EV or third party verification was attempted, then the certified statement must be stapled to the Section 8 Verification Hierarchy form that contains the record of prior verification attempts (including oral verification).

If a higher level of verification is received after a family certification has been taken, HACLA staff must use the higher level verification to complete the reexamination.

If the reexamination has been completed (either the review determination has been mailed to the family and owner or, for contracting and re-contracting, the HAP contract has been mailed to the owner for signature), HACLA staff must compare income from the new verification against what was used for the reexamination or HAP contract.

- If the total of the income provided by the new and higher level of verification differs by less than \$200.00 per month from the information used for the reexamination or re-contract, staff annotates the new verification "Received after the re-exam was completed," or "Received after the HAP contract was mailed." Staff signs and dates the annotated new verification and files it without further action.

- If the total of the income provided by the new and higher level of verification differs by \$200.00 per month or more from what was used for the reexamination or re-contract, staff must perform a Special to Correct reexamination.

7.3 Social Security and Supplemental Security Income (SSI) Verification

7.3.1 Verification for Participants

Once HACLA has established Section 8 access to HUD's EIV system a HUD EIV query must be the primary method of verifying Social Security and SSI income for all participants. The results of the HUD EIV query, or a print-out that indicates no record, must be filed in the client folder. If HUD EIV had no record, staff must use tenant-provided Social Security or SSI income verification [See Section 7.2.3, Third Party Written Verification of this Administrative Plan]. The family must obtain this written verification by using the Social Security toll-free number (1-800-772-1213) or requesting a verification over the Internet website www.socialsecurity.gov. [See PIH Notice 2018-24 Verification of Social Security Numbers (SSNs), Social Security (SS) and Supplemental Security Income (SSI) Benefits; and Effective Use of the Enterprise Income Verification (EIV) System's Identity Verification Report dated November 27, 2018]

Verification information for Social Security or SSI benefits must be stapled to the HUD EIV report and to the Section 8 Verification Hierarchy form on which staff must write why information from other than the HUD EIV system is being used. All family-provided information must be no more than 60 days old at the time of receipt.

7.3.2 Social Security and SSI Discrepancies with HUD EIV

If there is a discrepancy in amounts between information provided by the HUD EIV system and information provided in a computer generated Social Security Administration notice provided by the family, the most recent information will be used. Staff must document on the Section 8 Verification Hierarchy form why a computer generated notice is being used rather than HUD EIV.

7.3.3 Verifications for Applicants and Additions to the Household

New applicants and additions to the household will not have a record in the HUD EIV system. Staff should use a family-provided computer-generated benefit statement or award letter. Such computer-generated documents must be not more than 60 days old upon receipt. Any such document must be attached to a copy of the Section 8 Verification Hierarchy form with a statement on that form indicating why no HUD EIV information is available (e.g. "new family member - EIV not available," or "applicant family - EIV not available").

The family must obtain this written verification by using the Social Security toll-free number (1-800-772-1213) or requesting a verification over the Internet website www.socialsecurity.gov.

7.4 Discrepancies with Electronic Verification (EV) Data

For a discrepancy between HUD's EIV system and family-provided documents that concern payments made by the Social Security Administration see Section 7.3.2, *Social Security and SSI Discrepancies with HUD EIV*, above.

7.4.1 Discrepancies with a Substantial Difference

HUD defines "substantial difference" as a difference of \$200.00 or more per month between information provided through EV and applicant or participant-provided information.

If the EV is not related to verification of income from the Social Security Administration, where there is a substantial difference, or where the family did not disclose an income source, staff must discuss the discrepancy with the family and send a release signed by the applicant or participant on the appropriate income verification form directly to the income source to determine if the information provided by the EV data is accurate. Staff must rely on third-party verification to resolve the difference.

If third-party written or oral verification cannot be accomplished in time to complete a reexamination, the most current of the EV or family-provided income information must be used. The Section 8 Verification Hierarchy form must be documented to indicate why third-party verification was not used.

If third-party verification later shows that the information used was incorrect, HACLA staff must compare income from the third-party verification against what was used for the reexamination or HAP contract.

- If the total of the third party verified income differs by less than \$200.00 per month from the information used for the reexamination or re-contract, staff annotates the new verification "Received after the re-exam was completed," or "Received after the HAP contract was mailed." Staff signs and dates the annotated new verification and files it without further action.
- If the total of third-party verified income differs by \$200.00 per month or more from what was used for the reexamination or re-contract, staff must perform a Special to correct reexamination.

7.4.2 Discrepancies with No Substantial Difference

For smaller discrepancies between EV and other forms of verification, staff uses the higher dollar amount of the EV or other verification to calculate the anticipated annual income unless:

- a) the applicant or participant disputes the higher amount, in which case third-party verification is required, or
- b) the applicant or participant provides HACLA with documentation of a change in circumstances (i.e. changes in employment, reduction in hours, etc.).

If the family provides verification (such as a hand-carried HACLA form) that was completed manually, it must be verified by third-party written form or oral third-party verification. If the information cannot be verified by third-party written form or oral third-party oral verification and the information differs from EV information, the most current verification of income will be used. Staff will document on the Section 8 Verification Hierarchy form the receipt of the family-provided information and the use of the most current verification of income.

If third-party verification later shows that the information used was inaccurate, HACLA staff must compare income from the third-party verification against what was used for the reexamination or HAP contract.

- If the total of the third party verified income differs by less than \$200.00 per month from the information used for the reexamination or re-contract, staff annotates the new verification “Received after the re-exam was completed,” or “Received after the HAP contract was mailed.” Staff signs and dates the annotated new verification and files it without further action.
- If the total of third-party verified income differs by \$200.00 per month or more from what was used for the reexamination or re-contract, staff must perform a Special to Correct reexamination.

7.5 Altered or Incomplete Documents

Even if received directly from the third party, if any document or verification has been visibly altered, or if the document is incomplete, unclear or unsigned by the provider (if not computer generated), staff must telephonically verify and clarify the information using the same procedures as for third-party oral verification above. If matters are discussed that relate to the verification but which are not normally recorded on the form, those items should be documented on the verification. All attempts at oral verification must be recorded on the Section 8 Verification Hierarchy form.

7.6 Validity Period of Verifications

HACLA follows HUD regulations and guidelines with regard to the validity periods of verifications for its annual, special and interim reexaminations of family income and composition and for establishing eligibility prior to the issuance of a voucher to any applicant.

The provisions of this section and its subsections shall not prevent HACLA from requiring additional verifications of the applicant or participant or from undertaking independent verification of income or assets in those instances in which HACLA believes that erroneous or fraudulent information may have been provided to the agency.

[For bank statements used to verify assets in checking or savings accounts and income derived from those assets see Section 7.7, *Bank Account Verification*, below.]

7.6.1 Applicant Families in Tenant-based Programs

For applicant families, income eligibility must be based on verifications received no earlier than 60 days prior to the date HACLA issues the voucher. Once verified, this income information is and remains valid for determining eligibility, for determining income targeting requirements at the time of admission and for determining the annual and adjusted income used to calculate the family rent to owner at the time of initial admission to the assisted housing program.

If in accordance with Section 10.6, *Change in Family Size or Composition During the Voucher Term*, of this Administrative Plan HACLA will issue an applicant family a voucher having a different family bedroom size than was previously issued, HACLA must, prior to that issuance, insure that verifications of income, assets and deductions for all members of the family are not less than 60 days old on the date of issuance.

If HACLA suspends the terms of vouchers issued to applicants for a period of more than 60 days due to lack of funding or other legitimate cause, prior to re-issuing the voucher HACLA requires all families to re-verify their income eligibility which eligibility shall be determined on the basis of verifications received no earlier than 60 days prior to the date HACLA re-issues the voucher. [See also Section 10.2.4, *Suspension of Vouchers*, of this Administrative Plan.]

Notwithstanding the above, if at the time the family provides a Request for Tenancy Approval the family indicates that annual income has decreased since the voucher was issued, HACLA requires the family to provide new third party verification of the amounts and sources of income. HACLA uses the amount of the newly verified income for income targeting data and to determine the applicant's initial family share and family rent to owner.

7.6.2 Applicant Families in Project-based Programs

For applicant families in project-based programs, income eligibility must be based on verifications received no earlier than 60 days prior to the start of the assisted lease.

7.6.3 Participant Families

HACLA conducts an annual reexamination of income in accordance with the requirements of Section 12.3, *Reexaminations of Income*, of this Administrative Plan and at any time the family moves to a new unit. All verifications must be not more than 120 days old on the “reexamination date” specified in Section 12.3.1 of this Administrative Plan. For re-contracting, verifications must be not more than 120 days old as of the beginning date of the lease and HAP Contract. See Section 7.2.1, *Validity of Verifications*, and Section 7.7, *Bank Account Verification*, below, for exceptions.

7.6.4 Use of Verifications for Delayed Reexaminations

The 120 day validity period for verifications is counted from the date the reexamination should have been effective had it been conducted on time. This is the “reexamination date” specified in Section 12.3.1 of this Administrative Plan. Verifications received after the reexamination date are also valid. For third party written verification, as defined by Section 7.2.3 of this Administrative Plan, the documents should be dated within the 60 day period preceding the reexamination or HACLA request date.

See also Section 7.4, *Discrepancies with Electronic Verification (EV) Data*, of this Administrative Plan for delayed third party verification received after a reexamination has been completed.

(NOTE: “Completed” means that either the review determination has been mailed to the family and owner or, for contracting and re-contracting, the HAP contract has been mailed to the owner for signature.)

7.7 Bank Account Verification

7.7.1 HACLA Determinations

HACLA may accept original bank statements provided by the family as indicated below.

HACLA defines bank accounts to mean and be limited to money market, checking and savings accounts and certificates of deposit. All other types of assets must be verified using the verification hierarchy.

7.7.2 Use of Family-provided Documents

If received within 60 days prior to issuing a voucher, HACLA may use the following original documents provided by the family to determine the combined balances of bank accounts as defined above:

- The most recent quarterly statement, or
- A monthly statement not more than 60 days old at the time of receipt, or
- A savings passbook that has been updated by the financial institution within the last 60 days.

HACLA shall use the closing balance provided by any of the above statements except that if the closing balance is negative, staff shall assign a value of zero dollars as the asset balance.

Staff must photocopy, initial and date all original documents the family provides.

7.7.3 Imputed Income when Assets Exceed \$5,000.00

If the family's total assets exceed \$5,000.00, calculation of income from assets is subject to HUD's current passbook rate. Where the family has net family assets in excess of \$5,000, annual income shall include the greater of the actual annual income derived from all net family assets or the HUD passbook rate times the value of such assets.

7.8 General Policies on Income

HACLA shall use the Current Income Method not an Average Experience Method of calculating annual income for employees other than seasonal workers (For seasonal, sporadic or irregular employment, including school Employees, see Section 7.8.2, Seasonal, Sporadic or Irregular Employment, of this Administrative Plan). Staff will determine annual income by annualizing currently received income (e.g. multiplying monthly income by 12, weekly income by 52, etc.). If anticipated income is expected to decrease within the next 12 months, the family will be advised to request an interim reexamination as soon as the income decreases. If the annual income is expected to increase within the next 12 months, HACLA staff schedules a special reexamination to account for the increase in income.

7.8.1 Computation of Anticipated Overtime

Unless otherwise documented, hourly rated employees are assumed to be in paid status for 40 hours weekly and for 52 weeks per year. Anticipated income from overtime work is computed based on the employer's estimate on the verification form. If the employer fails to give such an estimate, but past earnings show that overtime has been worked, the past actual earnings provided by the employer shall

be projected to an annual amount. HACLA uses the higher of the past actual earnings or the employer's statement of regularly occurring income unless the employer provides evidence that the past pattern of overtime is no longer valid.

7.8.2 Seasonal, Sporadic or Irregular Employment

When calculating anticipated annual income for family members whose employment is seasonal, sporadic or irregular, staff must explain to the participant family the two acceptable methods for calculating seasonal employment income for participant families that report regular employment for less than twelve months per year. The participant family will decide which method to use.

- Current income (Method 1). Staff will annualize income based on the verified current income from earnings (or other sources) at the time of the reexamination. When seasonal employment ends, the Housing Authority conducts an interim reexamination at the request of the participant family. [See also Section 12.3, Reexaminations of Income, of this Administrative Plan.]
- Anticipated income (Method 2). If information is available on changes expected to occur during the year, that information is used to determine the total anticipated income from all known sources during the year. An interim reexamination is not conducted for the participant family.

7.8.3 Longevity Pay and Cost of Living Allowance (COLA)

Expected increases in wages due to longevity and expected increases in benefits due to annual or other adjustments for costs of living (COLA) are not included in the computation of annual income. For example, a serviceman's annual income is based on his current pay in his current rank and grade.

7.8.4 Conservators and Attorneys in Fact

If a person is a conservator or attorney in fact, then any asset of the principal or conservatee that is under the control of the conservator or attorney in fact is considered an asset of the principal or the conservatee not of the conservator or the attorney in fact.

7.8.5 Relocation Assistance Payments

A one-time relocation assistance payment required to be paid to a family under Federal, State or local law is considered to be a lump sum addition to the family's assets and is not counted as annual income. If relocation assistance payments will be made over a period of time that will not exceed one year, they are considered to be temporary, non-recurring payments and are not counted as income.

If an owner is required to provide temporary housing for an assisted family due to renovation of an assisted unit, the cost of the temporary housing borne by the owner and any owner's compensation to the family for loss of amenities or housing services at the temporary housing site or to move, store or safeguard the family's personal belongings or for other incidental costs to the family is not counted as annual income.

If an owner is required to pay the family to enable the family to locate its own temporary housing, the daily dollar amount provided to the family during the temporary relocation period is not counted as annual income.

7.9 Policies on Deductions and Expenses

For policies regarding proof of age, family composition, and provision of social security information see Chapter 6.

7.9.1 Verification of Disability

Disability shall be verified only by:

- Proof of disability provided through EIV verification;
- Proof of disability provided through a written third party verification from the Social Security Administration;
- A third party verification of disability provided by a health care or service provider, a qualified professional having knowledge of the person's disability, who can verify that the person meets HUD's definition of disability (not a verification of disability for reasonable accommodation);
- Document review of a Social Security or SSI benefit statement that is current within 60 days of the interview.

Disability is not verified by receipt of VA disability pay or by a statement indicating that a person meets the disability standards for reasonable accommodation.

7.9.2 Medical Deductions

HACLA adopts the definition of "medical expenses" as stated in Internal Revenue Service (IRS) Publication 502, Medical and Dental Expenses, as that definition may be amended from time to time.

The publication currently defines medical expenses to include "costs of diagnosis, cure, mitigation, treatment or prevention of disease and the costs for treatments affecting any part or portion of the body. They include the costs of equipment, supplies, and diagnostic devices needed for these purposes. They also include dental expenses."

For additional information and specifics staff must refer to the current edition of Internal Revenue Service (IRS) Publication 502, Medical and Dental Expenses.

Only those expenses listed in IRS Publication 502 are allowed as medical deductions.

7.9.3 Childcare Expense Deductions

HACLA calculates child care expenses in accordance with the following policies.

7.9.3.1 Choice of Provider

HACLA cannot choose who will provide childcare for a participant's child(ren), nor may HACLA decide the type of childcare to be provided. Those decisions are left to the family. HACLA may not refuse to give a family a childcare expense deduction because there is an adult member in the household that may be available to provide childcare.

7.9.3.2 Childcare Expense Verification

When determining allowable amounts for childcare, staff must verify:

- The actual cost of the childcare and the hours and days it is provided;
- That the cost of the childcare is reasonable (as defined in Section 7.9.3.3 below);
- That the hours of childcare relate to the hours working, in school or searching for employment with a reasonable time allowed for transportation;
- That the cost of child care is not being reimbursed. This information may be obtained through a certified statement.

Staff must also require the family to document whichever of the following applies:

- The wages earned by the person freed up to work by the childcare;
- The days and hours of work (and a reasonable time for transportation to and from employment - normally one half-hour each way unless otherwise documented);
- Full-time student status and the hours of schooling (with a maximum allowance for travel time of one half-hour each way and study time at the place of instruction not to exceed 3 hours weekly per hour of coursework);
- That the person is currently seeking employment.

7.9.3.3 Reasonable Costs of Childcare

To determine the reasonableness of childcare costs HACLA uses Regional Market Rate information provided by California Department of Education. Child care deductions may not exceed the Regional Market Rates as published from time to time in HACLA memoranda or in HACLA Section 8 guidebook for annual income.

7.9.3.4 Earnings Resulting from Childcare

HACLA follows a general rule that child care is enabling the person with the lowest income from earnings to work unless this is obviously not the case.

7.9.3.5 Childcare and School Year Proration

If the family will pay a different rate for childcare depending on whether the child is in school or out of school and information is not available from the childcare provider on what portion of the year the child is in school, HACLA will consider the child to be in school 38 weeks of the year and out of school 14 weeks for the purpose of prorating childcare for the year.

7.10 General Policies Regarding Assets

Where the family has net family assets equal to or less than \$5,000, the Housing Authority can accept the family's self-certification stating the amount of income the family expects to receive from such assets; this amount must be included in the family's income. The forms listed below, which are signed by all adult family members, will serve as self-certification of net family assets equal to or less than \$5,000:

- HAPP 27A, Eligibility Questionnaire for Applicants and/or HAPP 27P, Eligibility Questionnaire for Participants, or
- ANC-19, Certified Statement, or
- RE-46, Certified Statement.

This provision will be implemented with annual reexaminations effective January 1, 2017. For families using self-certification of assets, the Housing Authority must obtain third-party verification of all assets at least every three years.

Where the family has net family assets in excess of \$5,000, annual income shall include the greater of the actual income derived from all net family assets or a percentage of the value of such assets based on the current passbook savings rate, as determined by HACLA.

7.10.1 Disposal of Assets for Less than Fair Market Value

In addition to third party verification of the amount of assets and the amount of income anticipated to be received through assets, HACLA requires certification stating whether an applicant or participant disposed of any assets, whether at or below market value, in the last two years.

If the total cash value of all assets disposed of for less than fair market value within 2 years of the initial interview for applicants or the effective date of a reexamination for participants is less than \$2,500.00, HACLA does not calculate imputed income for the disposed assets. If the total cash value of all assets disposed of for less

than fair market value exceeds \$2,500.00, HACLA calculates imputed income for that portion of the assets disposed of that exceeds \$2,500.00.

7.10.2 Lump Sum Additions to Assets and/or Delayed Periodic Benefits

HACLA does not count lump sum additions to assets or lump sum payments due to the delayed receipt of periodic benefits unless the family is on an Interim schedule. Because HACLA does not automatically perform a reexamination if the family reports increases in income or receipt of a lump sum amount and instead calculates the remaining amount of any lump sum addition as an asset at the next reexamination, there is no minimum threshold for a lump sum addition to assets.

7.10.3 Prospective Draw Down of an Asset

When determining the value and anticipated income from an asset, the family's statement that they intend to draw down from an asset in the future (prospectively) does not reduce value of the asset. The asset value is reduced only if the family actually draws down before the effective date of a reexamination or contract.

7.10.4 Net Income from Assets

If verified, deductions may be taken to arrive at the net income from assets. However, the deduction cannot reduce the actual income from that particular asset to less than zero. For example, the annual fee charged by an institution to maintain an IRA can be deducted from the dividends or interest earned by that IRA account. A monthly charge for a checking account could offset any interest earned from that checking account.

7.11 Treatment of Specific Types of Assets

Where the family has net family assets in excess of \$5,000, annual income shall include the greater of the actual income derived from all net family assets or a percentage of the value of such assets based on the current passbook savings rate, as determined by HACLA.

7.11.1 Bonds

To determine the current value of a bond in the absence of third party verification from a broker staff may use the website <https://www.treasurydirect.gov/BC/SBCPrice>. This treasury department calculator provides the issue price of the bond, total interest earned to date, current value and current interest rate. The current value is used as the net value of the bond (asset). Annual income is the current value times the interest rate. If the interest rate column is blank, it means the bond is no longer paying interest. Printed calculator page results may be used as a third party verification.

When redeeming Series I or EE bonds, there is a three month interest penalty if the bonds are cashed in sooner than 5 years after the issue date.

Note: Some savings bonds are no longer paying interest. (See the website https://www.treasurydirect.gov/indiv/research/securities/res_securities_stopped_earninginterest.htm.) The following bonds no longer pay interest as of April 2005:

- Series E All issues
- Series EE January 1980 through April 1988
- Series H All issues
- Series HH issued January 1980 through April 1998
- Savings Notes All issues
- Series A, B, C, D, F, G, J, K, all issues.

7.11.2 Cash in Excess of \$1,000 per Family

HACLA considers \$1,000.00 cash per family to be a reasonable and nominal amount available for living expenses. Cash in excess of \$1,000.00 is counted as an asset. However, if the cash is held or maintained separately from other finances, e.g. in a safe deposit box, then the full amount of cash so held is considered an asset.

7.11.3 Checking and Savings Accounts

For special treatment of verifications see Section 7.7, *Bank Account Verification*, of this Administrative Plan.

7.11.3.1 Cash Value and Income from Bank Accounts

For bank accounts with monthly statements, HACLA uses the average closing balance of the most recent three consecutive months as the cash value of the asset.

For bank accounts with quarterly statements HACLA uses the closing balance of the most recent quarterly statement.

For passbook savings accounts with no regular statements, HACLA uses the closing balance of the passbook provided that the passbook has been updated by the savings institution within 60 days of the date the passbook is presented to staff for document review.

HACLA uses the current interest rate being paid by the financial institution to determine actual income from savings, checking and other accounts.

7.11.3.2 Certificates of Deposit and Money Market Accounts

HACLA uses the current interest rate being paid by the financial institution to determine actual income from certificates of deposit and similar accounts.

7.11.3.3 Joint Accounts

If a member of the family has unrestricted access to the account and can withdraw money from the account, the entire value of the account is counted as his or her asset. If the family member merely has survivorship rights and has no access to the funds until the other party dies, then the funds are not counted. The family must demonstrate that it either has no access to the asset or that it has access only to a portion of the asset.

If the person's social security number is on the account for tax purposes, income from the asset should be considered as going to that person.

If the asset is owned by two or more family members in the same household, prorate the asset (and income from the asset) evenly among all owners unless the family can document otherwise.

7.11.4 Deed of Trust or Mortgage Held by the Family

If a family member's name is on a deed of trust or title, the property is considered to be an asset of the family member.

HACLA considers the value of a mortgage or deed of trust to be the remaining unpaid principal on the effective date of the reexamination.

To determine income received through amortization of a mortgage or deed of trust held by a family member, staff may use amortization schedules provided on the Internet to determine the amount of monthly payments of interest and principal and the remaining balance. A screen print of the appropriate portion of the schedule is considered third party verification of the income and asset value.

The interest payable to the family member for the year beginning with the effective date of the reexamination, as determined by the amortization table, is treated as income from the asset. Return of principal is not considered income.

Some useful amortization schedules on the Internet are:

<http://www.hsh.com/calc-amort.html>

<http://ray.met.fsu.edu/~bret/amortize.html> (allows for a balloon payment).

7.11.5 IRA and Other Voluntary Retirement Accounts

IRA, Keogh, 401(k) and similar retirement savings accounts are counted as assets, even though withdrawal would result in a penalty.

Withdrawals received as periodic payments are treated as income unless the family member documents that (s)he contributed to the account and documents the amount of the contribution. If so documented, such withdrawals are not treated as income until the family member has recovered the total amount originally invested.

In general, a lump sum or occasional, as opposed to periodic, withdrawal from a retirement account is not counted as income. HACLA considers quarterly, monthly or weekly withdrawals to be periodic.

7.11.6 Mutual Funds and Stocks

Staff must initially attempt to obtain information on mutual funds and stocks from the family's broker or have the family certify that it does not use a broker.

If information cannot be obtained from a broker, staff may accept information received from the family in the form of the most recent quarterly statements provided that the statements are not more than 60 days old on the date of receipt. Staff must verify family-provided information by use of screen prints of information obtained from www.morningstar.com which may be used as third party verification of the current value of stocks, mutual funds and annual returns from dividends.

To determine the costs of converting stocks or mutual funds to cash staff uses information provided by the family's broker or financial institution. If this information is unavailable, staff may assign costs required for a broker-assisted trade as follows.

HACLA accepts as a reasonable cost of liquidating stock \$45.00 for each stock to be liquidated regardless of the number of shares of that stock.

For mutual funds HACLA allows no costs for No-Transaction-Fee funds. See www.tdwaterhouse.com/products and select "mutual funds" for a list of No-Transaction-Fee funds.

For Transaction-Fee mutual funds HACLA accepts the following transaction fees (from <https://www.tdameritrade.com/pricing.page>) as the costs for liquidation in absence of information from the family's broker.

Transaction amount \$1 - \$10,000	Fee: \$45.00
Transaction amount \$10,001 - \$15,000	Fee: \$65.00
Transaction amount \$15,001 - \$20,000	Fee: \$80.00
Transaction amount \$20,001 - \$25,000	Fee: \$90.00

Transaction amount \$25,001 and above Fee: \$100.00

7.11.7 Real Property

7.11.7.1 Market Value of a Single Family Residence

In determining the market value of a single family residence or a condominium in the Southern California area where no third party broker or real estate agent's information is available on the unit, HACLA shall determine the market value by:

- Determining the square footage of living space from a vesting, and
- Multiplying the square footage times the median sales price per square foot for the appropriate area as determined from the Data Quick / L.A. Times website at <https://www.corelogic.com/insights/southern-california-home-resale-activity.aspx>.

7.11.7.2 Costs of Sale of a Property

If a family has sold a property but cannot provide verification of the costs of sale through a broker, financial institution or escrow company, HACLA will impute costs of sale equal to 7% of the market value.

To determine the cash value of a property, HACLA shall use 7% of the fair market value as the imputed costs of sale unless the family provides a third party written estimate.

7.11.8 Resident Stipends

A family member is entitled to an exclusion from annual income for only one resident stipend at a time (and not to exceed \$200.00 per month).

If a family member receives more than one stipend during the same time frame, the HALCA excludes from annual income only the highest stipend received so long as it does not exceed \$200.00 per month for the family member.

HACLA may, if the amount of the stipend changes throughout the year, pro-rate the amounts accordingly so as to arrive at an average monthly amount for the entire year.

7.12 Credit Checks

HACLA may conduct credit checks of participant families at annual reexaminations and at any time there is reasonable cause to believe that the family has not reported income or family composition in accordance with program requirements. Credit check results are reviewed for information that appears inconsistent with the family's report of income and family composition. Inconsistencies are referred to the Section 8

Advisor for investigation.

7.13 Credit Reports

HACLA may at its discretion require families to provide copies of credit reports from national credit agencies provided that the family will not be charged for the report. HACLA may use these reports to ensure that the family is reporting assets and income accurately.

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Chapter 8 PORTABILITY

8.1 City Residency Requirement

Applicant families in which neither the head of household nor spouse has a domicile (legal residence) within the City of Los Angeles at the time the family first submits an application for participation in HACLA's tenant-based program (hereafter called Non-City Families) have no right to portability.

HACLA requires such families to reside within the City limits for the first year of tenant-based assistance. This City residency requirement may be waived under certain circumstances.

If the City residency requirements are in effect at the time of the applicant family's initial interview, Non-City Families are advised that they must be willing to live within the City of Los Angeles for a minimum of one year as a participant in order to be admitted to HACLA's tenant-based program.

Non-City Families who are unwilling to reside in the City of Los Angeles for the initial year of program participation are withdrawn from the waiting list.

The City residency requirements of this section may be waived for applicants or for referrals to Special Programs if required by HUD regulations or by the terms of any ACC or grant. See Section 21.11, *HUD-VASH Portability*, regarding the HUD-VASH waiver of city residency.

The City residency requirements of this section may be waived at the discretion of the President and CEO if needed to carry out special objectives of a particular program or enterprise. The President and CEO will notify the Board of Commissioners in writing of any waiver and a copy of the notification shall be maintained in Appendix 5 of this Administrative Plan for so long as the waiver remains in effect. The President and CEO will notify the Board of Commissioners in writing of the revocation of a waiver.

HACLA will consider making a reasonable accommodation to its City residency requirement for families that contain a person with a disability or a person with a severe medical condition as certified by a provider/worker.

See HACLA Manual of Policy and Procedure Chapter 125:1, *Nondiscrimination on the Basis of Disability and Reasonable Accommodation Policy and Procedures*, Appendix 3 of this Administrative Plan, for additional information on reasonable accommodation.

8.2 Continuing Ineligibility for the Initial 12 Months of Assistance

If City residency requirements were in effect at the time a Non-City Family began its first assisted lease, then during the 12 month period beginning with the start of the first assisted lease the family does not have a right to lease a unit outside the Los Angeles City limits. HACLA requires that such families complete 12 months residency in an assisted unit within the City limits in order to attain eligibility for portability.

See also Section 12.2, *Limitations on Moving*, of this Administrative Plan.

8.3 Denial of Portable Voucher for Moves in Violation of the Lease

In accordance with HUD regulations, HACLA shall not issue a voucher for portability if the family has moved out of its assisted unit in violation of the lease. If a voucher has been issued prior to the family moving, the voucher is cancelled and the participant family and the receiving PHA are notified in writing of the family's termination from the program and of the family's opportunity to obtain an informal hearing.

Notwithstanding the above, a family may receive a voucher from a public housing agency, including HACLA, and move to another jurisdiction under the tenant-based assistance program if the family has complied with all other obligations of the Section 8 program and has moved out of the unit in order to protect the health or safety of an individual who is or has been the victim of domestic violence, dating violence, or stalking and who reasonably believed he or she was imminently threatened by harm from further violence if he or she remained in the assisted dwelling unit.

HACLA shall require the family to provide a certification of domestic violence in accordance with Section 6.19.5, *Certification of Domestic Violence*, of this Administrative Plan.

8.4 Denial of Portable Voucher if the Family Owes HACLA

In accordance with Section 12.6.4, *Restrictions on Moving When the Family Owes HACLA*, HACLA does not provide portability for a family so long as the family owes HACLA monies. HACLA shall refuse to issue a voucher and shall refuse to process a family's request to port out of its jurisdiction until all monies owed to HACLA have been repaid. If the family moves out of HACLA's jurisdiction while owing HACLA money, HACLA shall terminate the family's participation in the assisted housing program and shall notify any potential receiving PHA of the termination.

8.5 Absorption (Portability)

HACLA absorbs families who exercise portability to HACLA in accordance with:

- 1) Written agreements with other Public Housing Agencies (PHAs), and
- 2) In cases without written agreement to the extent that the initial PHA is willing to absorb HACLA participants and applicants.

Notwithstanding the above, HACLA, at the sole discretion of its President and CEO, may absorb additional families to meet SEMAP requirements for lease-up and to meet HUD requirements for Fair Share or other voucher allocations. HACLA may also absorb such other additional families in excess of 100% lease-up and in excess of HUD requirements as may be deemed provident by the President and CEO.

For special procedures and absorption requirements relating to the HUD-VASH program, refer to Chapter 21.

8.6 Extensions and Suspensions (Tolling) of a Portable Voucher

HACLA will provide a 60-day extension of the voucher to a family who requests to port out during the initial term of the voucher.

For port-outs requested after the initial term of the voucher, HACLA will provide an extension through the end of the 120-day maximum term of the voucher. At the discretion of the Director of Section 8, HACLA may approve a 180-day maximum term of the voucher.

For incoming families, HACLA does not normally toll or suspend the term of the voucher it issues as the receiving PHA if the family returns a Request For Tenancy Approval. Unless HACLA has determined it will absorb the family, HACLA may toll or suspend the term of the voucher only with the prior written approval of the initial PHA and upon receipt of a revised HUD 52665 that extends the term of the voucher and extends the 60 day deadline for returning a billing (Part II of the HUD 52665) to the initial PHA.

For families porting out, the receiving PHA is responsible for any tolling. HACLA will not absolve the receiving PHA of its requirements to meet the deadlines imposed by Part I of the HUD 52665 as completed by HACLA unless the PHA obtains HACLA's prior written approval and modification of the original HUD 52665.

8.7 Cancellation of the Request For Tenancy Approval

If a family locates a unit outside of HACLA's jurisdiction and provides HACLA with a Request for Tenancy Approval (RFTA) for the unit, HACLA will, if portability is allowed, cancel HACLA's RFTA for that unit to allow the gaining PHA to issue its own RFTA. HACLA will notify the family and the unit owner of the cancellation due to the family's exercise of portability.

8.8 Terminations by Another PHA

HACLA will terminate participation in the Section 8 or other assisted housing program for any family using portability upon proper notification by the initial or any prior PHA. In such cases the participant shall be advised of the reason for the termination as provided by the prior (terminating) PHA and of the participant's right to request a hearing of the terminating PHA. The results of a hearing officer's decision rendered by a prior PHA is binding upon HACLA. The family's participation shall be terminated on the date specified in the hearing notice or at the end of the month following the month in which HACLA has notified the tenant and the owner of the termination, whichever is later.

If the family using portability is found to be unsuitable to receive housing assistance under the receiving PHA policies due to different criminal background check standards, the family will be returned to HACLA.

8.9 Claims by Another PHA

Any amounts owed by a participant to an initial PHA, to any prior PHA, or to a receiving PHA which are the result of the family's participation in a housing program while in the jurisdiction of that PHA must be collected by that PHA.

HACLA will not make any payment for claims to a receiving PHA unless that PHA has terminated the family's participation in the program and the monies are uncollectable.

8.10 Portability Responsibilities

HACLA follows the requirements of PIH Notice 2016-09 and expects other PHAs to do the same. HACLA will not provide billing arrangements or make payments except in accordance with PIH Notice 2016-09 or subsequent written HUD guidance on portability.

For special procedures and absorption requirements relating to the HUD-VASH program, refer to Chapter 21.

8.10.1 HACLA Responsibilities as the Initial PHA

8.10.1.1 Initial Contact

HACLA staff notifies the receiving PHA to expect the family. Staff contacts the receiving PHA on the phone and submits required documents to the receiving PHA by fax, electronic communication or by mail within 10 (ten) working days. If the porting family is an applicant family, staff must determine from the receiving PHA whether the family is income eligible in the area to which the family wishes to move.

Staff advises the family how to contact and request assistance from the receiving PHA.

- Staff provides the family with the name and telephone number of the staff person at the receiving PHA responsible for working with incoming portable families.
- Staff informs the family of any known procedures related to incoming portability that the receiving PHA has shared with HACLA staff.

Staff provides the following documents to the receiving PHA as soon as the family makes known its decision to port out:

- Form HUD-52665, Family Portability Information, with Part I completed,
- The family's most recent 50058 (for participant families),
- Related verification information for the 50058,
- Copies of citizenship verifications,
- A copy of the family's voucher,
- Any information on Earned Income Disallowance (EID) pertaining to the family,
- FSS information if the family participates in FSS.

8.10.1.2 Voucher Extensions

Once HACLA has provided an initial extension of the voucher to the family in accordance with Section 8.6, *Extensions and Suspensions (Tolling) of a Portable Voucher*, as the Initial PHA, HACLA does not provide further extensions to its voucher holders. The receiving PHA issues its own voucher for a term at least as long as the remaining term of HACLA voucher. Additional extensions of the voucher are at the sole discretion of the receiving PHA.

If the family is unable to locate housing in the receiving PHA's jurisdiction, HACLA may issue the family an extension to locate housing in HACLA's jurisdiction provided that such extension will not extend the voucher more than 120 days from the date it was initially issued by HACLA. HACLA does not honor any extension provided by the receiving PHA if the family is not successful in locating a unit in the receiving PHA's jurisdiction.

8.10.1.3 Processing Billings

HACLA must receive a billing from the receiving PHA by means of the HUD-52665 within 60 days of the expiration of HACLA's voucher term and within 10 working days of the date the HAP contract with the owner has been executed. If the receiving PHA has not complied with this requirement, HACLA will advise the receiving PHA that it must absorb the family. HACLA will not pay a receiving PHA unless the 60 day requirement has been met. HACLA will consider any HUD-52665 that has been postmarked, e-mailed or faxed to HACLA within that time frame to have met these conditions.

If HACLA has not received a billing notice by the deadline (60 days following

the expiration of the voucher issued by HACLA), HACLA does not honor any subsequent billing. HACLA staff contacts the receiving PHA immediately after the 60th day to determine the status of the family.

- If the receiving PHA reports that the family is not under HAP contract, HACLA staff advises the receiving PHA that it will not accept any subsequent billing on behalf of the family. Staff must document the client file and business system accordingly. If a billing is received, HACLA staff returns the billing to the receiving PHA and advises the receiving PHA that it must absorb the family.
- If the receiving PHA reports the family is under HAP contract AND reports that it is unable to absorb because it has insufficient funds or would be over-leased, HACLA will accept the late billing but may notify the local HUD office of the receiving PHA's failure to submit the billing in a timely manner.

8.10.1.4 Payment for Billings

HACLA must pay the first billing amount due within 30 calendar days of receipt of Part II of the HUD 52665.

Subsequent monthly billing payments must be sent to the receiving PHA so that they will be received not later than the fifth working day of the month.

HACLA pays the receiving PHA the lesser of 80% of HACLA's column B administrative fee rate (then prorated to the national proration level) or 100% of the receiving PHA column B administrative fee rate (then prorated to the national proration level) as determined by HUD for each unit month the family receives assistance from the receiving PHA. A "unit month" means any month in which a unit was under a HAP contract on the first of the month.

HACLA may not terminate or delay making payments under existing billing arrangements as a result of over-leasing or funding shortfalls in HACLA's programs.

In the event that a receiving PHA submits a claim to dispute amounts due/paid under a portability billing arrangement, HACLA will request a detailed report on the amount disputed from the receiving PHA. Upon receipt of said report, HACLA will review disputed records for a period of eighteen months from the date of receipt of the billing dispute.

8.10.1.5 Limitations on Moving

In the initial year of the lease a participant family that has ported out shall not be allowed to move at the tenant's request. Thereafter a move at the family's request is not allowed more than once in any 12 month period.

Exceptions to this policy may be made only if:

- 1) The unit has been abated for more than 30 days;
- 2) A HQS breach not caused by the family is determined to be life-threatening;
- 3) The tenant and owner mutually agree to terminate in writing and the owner waives all claims against the PHA;
- 4) The move is required as a reasonable accommodation for a person with a disability under the requirements of the Fair Housing Act of 1988 or Section 504 of the Rehabilitation Act of 1973.

8.10.1.6 Annual Certifications

If HACLA has not received a copy of the HUD 52665 for the annual re-certification within 60 days of the anniversary date of the initial contract or within 60 days of prior annual re-certifications, HACLA staff contacts the receiving PHA to determine the status of the family and to request a copy of the HUD 52665 for reconciliation purposes. If a copy is not provided within 45 days after such contact, HACLA may notify the HUD local office that a HUD 52665 has not been received for the family.

8.10.1.7 Serial Porting

If a family initially vouchered by HACLA but now residing in a receiving PHA's jurisdiction decides to move to yet another jurisdiction, the receiving PHA must notify HACLA. HACLA is responsible for issuing the family's voucher and for sending the HUD 52665 and supporting documentation to the new receiving PHA. HACLA must request this information from the current receiving PHA.

HACLA is responsible for notifying the family and the new receiving PHA in the same manner as an initial port-out. (See Section 8.10.1.1, *Initial Contact*, above.) HACLA may coordinate between PHAs so that the HAP Contract may be terminated in a timely manner by the first receiving PHA and reported on the 50058 to enable the new receiving PHA to record the family's move-in on its 50058.

8.10.2 HACLA Responsibilities as the Receiving PHA

8.10.2.1 Initial Processing

HACLA shall not process an incoming portable family if the initial PHA's voucher has already expired on the date it was received by HACLA or is otherwise invalid or the time remaining on the voucher is less than thirty (30) days which does not leave sufficient time to process a Request for Tenancy Approval, execute a HAP contract, and cover the anticipated delivery time. Such problems must be resolved by contact with the initial PHA.

HACLA does not determine income eligibility for a portable family that was already receiving assistance in the initial PHA's tenant-based program. It does determine eligibility for all new applicant families. HACLA requires all incoming families to authorize criminal history background checks and HACLA performs such checks against all adult family members and live-in aides.

HACLA requires the initial PHA to document in writing that the family does not owe any money to the initial or any intervening PHA. HACLA denies admission to any incoming porting family that owes a PHA money in accordance with Section 13.8.10.2, *Porting Families*, of this Administrative Plan.

HACLA may not delay issuing the voucher to the family or otherwise delay approval of a unit unless income eligibility must be determined.

HACLA determines the subsidy size for the portable family based on its own subsidy standards and issues its own voucher to the family.

HACLA must process the family's paperwork and issue a voucher to the family within two weeks of receiving the HUD 52665 and supporting documentation provided that: the information is in order, the family has contacted HACLA, and the family complies with HACLA's procedures such as completing disclosure forms and certifications and authorizing criminal history checks.

8.10.2.2 Use of Criminal Histories for Returning Port-outs

When a family previously assisted by HACLA exercises portability to another jurisdiction and later wishes to return by porting back to HACLA, HACLA does not perform a criminal history check unless a member was added to the family while the family resided out of HACLA's jurisdiction.

If a criminal history check indicates that the added family member has engaged in any activity that would cause HACLA to deny assistance in accordance with Chapter 13, *Termination and Denials*, HACLA shall refuse to allow the family to port back to HACLA's jurisdiction unless the added member is removed from the family.

8.10.2.3 Term and Extension of the Voucher

HACLA may issue a voucher for any period of time so long as HACLA voucher will not expire earlier than the voucher received from the initial PHA. HACLA decides whether to extend or suspend the term of its voucher.

If HACLA extends the voucher beyond the date of the initial PHA's voucher, HACLA must inform the initial PHA of the extension. Unless HACLA will absorb the voucher, any extension of the expiration date must leave enough time to process a Request for Tenancy Approval, execute the HAP Contract and cover the anticipated delivery time to insure that the billing (HUD 52665 Part II) will be received not later than the date indicated on Part I of the HUD 52665 as the date by which billing must be received (60 days following the expiration date of the initial PHA's voucher).

8.10.2.4 Notifying and Billing the Initial PHA

HACLA must notify the initial PHA promptly whether it will bill the initial PHA for assistance or absorb the family. If HACLA will bill the initial PHA, HACLA must complete Part II of the HUD 52665 within 10 days of the execution of the HAP Contract and send it with a copy of the family's 50058 to the initial PHA in such a way that it will reach the initial PHA within 60 days of the date of the expiration of the initial PHA's voucher.

HACLA must also notify the initial PHA if the family fails to submit a Request For Tenancy Approval within the term of the voucher.

8.10.2.5 Notifications After the Initial Contracting

HACLA must provide the initial PHA with a copy of the HUD 52665 Part II in each of the following situations:

- 1) When the billing amount changes,
- 2) When HACLA decides to absorb a family for which it has been billing the original PHA,
- 3) When HACLA terminates the family's housing assistance payments for any reason,
- 4) At the completion of any annual reexamination or re-contracting event,
- 5) When a portable family for which HACLA is currently billing the initial PHA wants to move to another PHA's jurisdiction. The initial PHA is responsible for issuing the family's new voucher and for sending the HUD

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52665 and supporting documentation to the new receiving PHA.

HACLA sends the HUD 52665 at the time notification of change is provided to the family and owner and in advance of the effective date whenever possible. The HUD 52665 must always be provided to the initial PHA not later than 10 days after the effective date of any change in the billing amount or termination of the family or termination of the billing arrangement by absorption.

Chapter 9 SPECIAL HOUSING TYPES

9.1 Shared Housing

HACLA offers shared housing as an option to all applicants or participants.

The shared housing option can never override the regulatory prohibition against subsidizing a shared housing owner-occupied unit if the owner is related by blood or marriage to a member of the assisted family.

9.2 Homeownership

HACLA participates in the Section 8 Homeownership Program. See Chapter 20: *Special Procedures for the Section 8 Homeownership Program*, of this Administrative Plan.

9.3 Other Housing Types

HACLA allows the use of tenant-based assistance in other housing types insofar as they are not prohibited by HUD. Except as required by HUD, HACLA puts no additional requirements on participants on the selection of the following types of housing:

- Manufactured (Mobile) Homes (including space rental for owners of such homes)
- Cooperatives
- Congregate Housing
- Group Homes (formerly called Independent Group Residences)
- Single Room Occupancy

Determinations of allowable Fair Market Rents, Gross Rents, and Voucher Payment Standards are made in accordance with HUD published requirements in the Code of Federal Regulations.

9.4 Other Subsidized Housing

HACLA allows tenant-based participants to select housing covered under Section 221(d)(2) below market interest rate (BMIR), Section 236 (insured and non-insured), and other forms of subsidized housing where not prohibited by HUD regulation.

Chapter 10 GENERAL PROGRAM STANDARDS

[If HUD regulations require their use, Section 8 certificates are administered in the same manner as vouchers unless otherwise indicated.]

10.1 Initial Term of the Voucher

The initial term of the voucher is 60 days. For the initial voucher term in the HUD-VASH program, refer to Chapter 19.

10.2 Extensions of the Voucher Term for Applicants

10.2.1 Regular Extensions

If the applicant voucher holder is unable to locate a suitable unit during the initial term, HACLA may, provided that sufficient funding is available, extend the voucher 60 days to a maximum of 180 days. In this case, the voucher will expire at the end of 180 cumulative calendar days if the family has not requested an extension beyond the 180 days as a reasonable accommodation. At the discretion of the Director of Section 8, HACLA may revise the maximum term of the voucher to address rental market conditions, declared disasters or emergencies, whether due to natural calamity (e.g., earthquake), civil disturbance, public health emergencies, or other cause recognized by the Local, State or Federal government.

To receive an extension, the applicant family head must report to the appropriate HACLA office at which time HACLA may provide counseling and housing search information.

10.2.2 Extensions for Applicants with Disabilities

To make the program accessible to an applicant family member who is a person with a disability, the voucher is extended in increments of 60 days up to a term reasonably required for that purpose but not to exceed 240 calendar days unless the Section 8 Director approves an additional 30-day extension in writing.

To receive an extension of the voucher term beyond 180 days the family must provide HACLA with verifiable proof that the disability of the family member prevented the family from locating an acceptable unit during the initial term of the voucher and any extensions thereof.

HACLA shall suspend provision of additional 60-day extensions if funding is not available and will subsequently resume providing 60-day extensions when funds become available. [In this regard see Section 10.2.4, *Suspension of Vouchers*, below and Section 7.6.1, *Applicant Families in the Tenant-based Programs*, with

regard to verification of income eligibility.]

See HACLA Manual of Policy and Procedure Chapter 125:1, Nondiscrimination on the Basis of Disability and Reasonable Accommodation Policy and Procedures, Appendix 3 of this Administrative Plan, for additional information on reasonable accommodation.

10.2.3 Extensions for Hardship or Good Cause

At the family's written request, HACLA may provide a single 30-day extension for hardship due to medical or other reasons which the family can document and which prevented the family from searching for an assisted unit during the initial 180 days of the voucher. Multiple 30-day extensions and extensions of less than 30 days shall not be provided.

A documented inability to look for a unit for more than five calendar days is sufficient to authorize the 30-day extension. Hardship includes, but is not limited to, personal illness, the illness or death of a relative (regardless of whether the person is a member of the proposed assisted household), and instances in which the head, spouse or co-head were required to be out of the local area or were otherwise unavailable to search for a unit.

10.2.4 Suspension of Vouchers

If HACLA suspends the terms of vouchers issued to applicants for a period of more than 60 days due to lack of funding or other legitimate cause, the terms of all such vouchers shall be considered to have expired at the end of the 60th day. When HACLA is again able to re-issue vouchers, such vouchers shall be reissued for a full initial term regardless of the amount of time remaining on the original voucher at the time of suspension.

Prior to re-issuing the voucher, HACLA requires all families to re-verify their income eligibility which eligibility shall be determined on the basis of verifications received no earlier than 60 days prior to the date HACLA re-issues the voucher. [See also Section 7.6.1, *Applicant Families in Tenant-based Programs*, of this Administrative Plan.]

HACLA has the sole right to determine the order in which families with suspended vouchers will have the suspension lifted and the order in which families with suspended and expired vouchers will be re-issued vouchers.

10.2.5 Applicant Voucher Extensions in Cases of Foreclosure

If HACLA is forced to disapprove a RFTA because it discovers that the property is in foreclosure and there will be fewer than 60 days search time available to the

family at the time of the disapproval, HACLA will extend the voucher for a full 60 days after the date of the disapproval regardless of how many days remained on the voucher term at the time the RFTA was submitted.

10.3 Participant Families – End of the Voucher Term

HACLA issues vouchers to enable a participant family to move and continue assistance under the tenant-based program. See also Section 12.2, *Limitations on Moving*, and Section 12.6.4, *Restrictions on Moving when the Family Owes HACLA*, and Chapter 7, *Income and Asset Determinations*, of this Administrative Plan for additional information. The voucher is issued for an initial term and can be extended by one increment of 60 days at the family's request to a maximum of 180 days. In this case, the voucher will expire at the end of 180 cumulative calendar days if the family has not requested an extension beyond the 180 days as a reasonable accommodation. At the discretion of the Director of Section 8, HACLA may revise the maximum term of the voucher to address rental market conditions, declared disasters or emergencies, whether due to natural calamity (e.g., earthquake), civil disturbance, public health emergencies, or other cause recognized by the Local, State or Federal government. The term is subject to suspension (tolling) in accordance with Section 10.4, *Suspension (Tolling) of the Voucher*, and Section 10.5, *Request for Tenancy Approval and Tolling*, below.

10.3.1 Expiration of the Voucher Term After 180 Days

If a participant family has had the use of a voucher for 180 cumulative calendar days and the family has not requested an extension beyond 180 days as a reasonable accommodation, the voucher expires at the end of 180 days with the following consequences:

- If the family remains in an assisted unit and still wishes to move, the family must request another voucher. All income, income exclusion, asset and deduction information must be re-verified by HACLA prior to issuing the next voucher. Verifications must not be more than 60 days old at the time of that voucher issuance.
- If the family is not residing in an assisted unit at the time the voucher expires, the family is terminated from the Section 8 program. The family may, however, apply for a single 30-day hardship extension in accordance with Section 10.2.3, *Extensions for Hardship or Good Cause*, above. The family is not entitled to an informal hearing due to the expiration of the voucher term or to HACLA's refusal to extend the term of the voucher.

10.3.2 Expiration of the Voucher and Reasonable Accommodation

If the family has had use of a voucher to move for 180 cumulative days and the family requests a reasonable accommodation to extend the term of the voucher

and the family has provided HACLA with verifiable documentation of the need for a reasonable accommodation, then:

1. If the family remains in an assisted unit, HACLA issues a new voucher to the family with a new initial term of 60 days. All income, income exclusion, asset and deduction information must be re-verified prior to issuing this voucher. Verifications must not be more than 60 days old at the time of the voucher issuance.
2. If the family is not residing in an assisted unit and HACLA will grant the accommodation, HACLA extends the voucher in 60-day increments up to a term reasonably required for that purpose but not to exceed 240 cumulative days unless the Section 8 Director approves an additional 30-day extension in writing. The family must provide new verification of all income, income exclusion, asset and deduction information prior to receiving the first accommodating 60-day extension. Verifications must not be more than 60 days old at the time of the extension.

Thereafter, the family must re-verify all income, income exclusion, asset and deduction information every 120 calendar days counted from the date the first 60-day extension for reasonable accommodation was issued.

10.3.3 Participant Voucher Extensions in Cases of Foreclosure

If HACLA is forced to disapprove a RFTA because it discovers that the property is in foreclosure and there will be fewer than 60 days search time available to the family at the time of the disapproval, HACLA will extend the voucher for a full 60 days after the date of the disapproval regardless of how many days remained on the voucher term at the time the RFTA was submitted.

10.4 Suspension (Tolling) of the Voucher

Suspension (tolling) means stopping the clock on the term of a family's voucher. A voucher may be suspended or tolled only if there is a Request for Tenancy Approval (RFTA) in process.

When a Request for Tenancy Approval (RFTA) is received, HACLA suspends (tolls) the remaining active period of the voucher.

If the RFTA is canceled, the family receives the balance of the term remaining on the voucher to continue its search for housing. [See also Section 10.5 below for additional information on tolling.]

10.5 Request for Tenancy Approval and Tolling

A family may submit only one Request for Tenancy Approval (RFTA) at a time. If the RFTA is canceled and there is time remaining on the term of the voucher, the family may submit a Request for Tenancy Approval for another unit.

RFTAs must be returned to HACLA during normal business hours. If the term of the voucher expires on a non-business day, the RFTA must be returned to HACLA by the close of business of the next immediate business day.

If an RFTA is returned to HACLA on the last day of the term of a voucher and the RFTA is subsequently disapproved by HACLA or withdrawn by the owner, HACLA tolls the term of the voucher for the final day of the term. HACLA reissues the voucher for the final (tolled) day for a period of one business day.

If a family loses any portion of a day from the day the RFTA is received through the day the family is notified of its ability to resume the search for housing, those entire days are tolled.

10.6 Change in Family Size or Composition During the Voucher Term

If during the term of the voucher there is a verified change in the family size or composition which makes the family ineligible for the bedroom size on the voucher, that voucher is reissued with the appropriate bedroom size for the balance of the term remaining on the voucher in accordance with the following:

10.6.1 Verification Requirements

All income, income exclusion, asset and deduction verifications for ALL members of the newly constituted and approved family must be not more than 60 days old at the date the voucher is reissued.

10.6.2 Income Limit Requirements – Applicant Families

If the proposed addition of a family member will cause an applicant family to exceed the Federal income limits for the revised family size in effect on the date the voucher will be reissued, HACLA must deny reissuance of a voucher to and admission of the family so constituted. Under such circumstances, to prevent being withdrawn from the waiting list as ineligible due to income limits, the family may either:

- 1) Withdraw its request to add the additional family member. The family then retains its original voucher (and bedroom size) for the remaining term of that voucher, OR
- 2) Make other changes to the family composition that would make the family income eligible.

- If the family's composition and income eligibility as the result of such changes is approved by HACLA and no change in the family's voucher bedroom size is required, the family retains its original voucher for the remaining term of that voucher.
- If the approved composition of the income eligible family will still require a change in the family's current voucher bedroom size, the requirements of Section 10.6.1, above apply.

10.7 Lease Approval and Initial Term of the Lease

HACLA does not approve owner leases in the tenant-based programs. The owner certifies by signing the HAP Contract that the lease is legal in this jurisdiction and is the same lease used in unassisted tenancies on the premises.

Only a one year lease is allowed in the tenant-based programs. The use of a month-to-month tenancy agreement, also variously called a rental agreement, periodic rental agreement or "at will" tenancy, is prohibited.

The owner may not charge or accept, from the family or from any other source, any payment for rent of the unit in addition to rent to owner.

The owner may not charge the tenant extra amounts for items customarily included in rent to owner in the locality, or provided at no additional cost to unsubsidized tenants in the premises.

10.8 Subsidy Standards - Tenant-based Programs

HACLA's tenant-based subsidy standards do not include consideration of the age or sex of members of the household as a means of determining bedroom size. The family, not HACLA, determines who will use or share a bedroom/sleeping room.

Subsidy standards are applied when issuing or reissuing a voucher, at the time of any annual reexamination of family income and composition and at the time of approval of a new or revised lease. HACLA uses two tables in applying its subsidy standards to determine the appropriate bedroom size for the family.

HACLA may adjust the family size in any of these tables. Such adjustments shall not affect the family until the next regularly scheduled annual reexamination or the next re-contracting event. The family shall be provided at least 30 day's notice of any change in the tenant portion of the rent as a result of such a revision.

To address financial shortfalls and reduce costs in the Section 8 program, HACLA may determine if a single individual living in a one bedroom unit should have a zero voucher bedroom size.

10.8.1 Subsidy Standards for New Admissions

A voucher is issued to an applicant within the Section 8 or other assisted housing programs in accordance with the following table.

**TABLE 1
New Admissions**

Size of Family	Number of Bedrooms to be subsidized (Family Unit Size)
1	0 – SRO
1-2	1
3-4	2
5-6	3
7-8	4
9-10	5
11-12	6

10.8.2 Subsidy Standards for Housing Conversions

Notwithstanding the provisions of Section 10.8.1 above, to accommodate families that desire to lease in place (or lease within the same project) as the result of expiring HUD Contracts, owner opt-outs, or other Housing conversions approved by HUD, HACLA may employ the subsidy standards expressed in Table 2, *Continuing Participation and Housing Conversions*, below.

**TABLE 2
Continuing Participation and Housing Conversions**

Minimum Size of Family	Maximum Size of Family	Voucher Size* Number of Bedrooms
1	1	SRO
1	2	0 bedroom
1	4	1 bedroom
3	6	2 bedroom
5	8	3 bedroom
7	10	4 bedroom
9	12	5 bedroom
11	14	6 bedroom

* Number of subsidized bedrooms on the voucher. For the purpose of determining under or overhoused status this column is the number of actual bedrooms in the unit.

Where a live-in aide has been approved, HACLA will first determine the appropriate number of bedrooms for the family (family unit size) in accordance with the above chart. HACLA will approve one additional bedroom to accommodate a live-in aide provided that the aide has met the requirements of Section 6.12, *Live-in Aide*, of this Administrative Plan.

If HACLA has previously approved a live-in aide to reside in an assisted unit with family members related to the aide, the assisted family is not required to conform to the one bedroom maximum requirement of Section 10.8.1 above until the family moves from its current unit. For such cases, total all members of the household and use the total to determine whether the voucher size is appropriate.

10.8.3 Subsidy Standards for Continuing Participation

At the time of any annual reexamination, HACLA determines whether a participant family may be underhoused or overhoused, whether the voucher bedroom size should be increased or decreased and whether the participant family shall be required to move due to being over or underhoused all in accordance with Table 2, *Continuing Participation and Housing Conversions*.

At the time of an annual reexamination, for voucher tenancies HACLA also determines whether the payment standard should be changed. [See Section 10.9, *Changing the Voucher Payment Standard*, of this Administrative Plan.]

10.8.3.1 Voucher Tenancies

[For annual reexaminations and changes in the dollar value of payment standards see Section 10.9, *Changing the Voucher Payment Standard*, and Section 10.14, *Establishing Voucher Payment Standards*, of this Administrative Plan.]

Overriding Principles:

- A. The bedroom size used to calculate the HAP must always be the **LOWER** of the actual bedroom size of the unit or the voucher bedroom size. If a discrepancy is detected at any time, HACLA must correct the voucher or the actual bedroom size at the time of the next **annual** reexamination.
- B. The bedroom size of the voucher must be the size determined by applying the subsidy standards in effect at the time of the effective date of the last (or

current) **annual** reexamination. In cases in which the reexamination was delayed, HACLA uses the payment standard in effect on the date the reexamination should have been effective had there been no delay.

C. Unless HACLA is providing an exception payment standard during the term of the HAP Contract in accordance with Section 2.10.2.4, *Payment Standard Exceptions During the Contract Term*, the payment standard and the voucher bedroom size for the family may be changed **ONLY** at a regular **annual** reexamination or in conjunction with a new HAP Contract (for the same or another unit).

Action at Annual Reexamination if the Family Size is Less than the Minimum:

If the family size is **less** than the minimum in Table 2, *Continuing Participation and Housing Conversions*, HACLA lowers the voucher bedroom size to the size allowable to the family according to Table 2.

To determine the correct voucher bedroom size HACLA applies the subsidy standard in effect on the date this annual reexamination and re-determination of family rent should have occurred as required by Section 12.3.1, *Annual Reexaminations (Review) of Income*.

Although the resulting Housing Assistance Payment and family share may be changed, the participant family can elect to remain in the unit and pay an increased rent to the owner.

Action if the Family Size Exceeds the Maximum:

A. If the family size **exceeds** the maximum in Table 2, *Continuing Participation and Housing Conversions*, the family is **underhoused** by HQS standards. HACLA must **require the family to move**. HACLA issues a voucher of appropriate unit size in accordance with Table 2, *Continuing Participation and Housing Conversions*.

B. If the family size does not exceed the maximum in Table 2, *Continuing Participation and Housing Conversions*, the voucher size remains the same.

10.8.3.2 HOPWA and CoC Tenant-based Tenancies - All Reexaminations

Action if the Family Size is Less than the Minimum:

A. If the family size is **less** than the minimum in Table 2, *Continuing Participation and Housing Conversions*, but the gross rent for the unit does not exceed the allowable FMR / exception rate for the newly calculated

bedroom size, the certificate size is lowered to the highest certificate size allowable to the family according to Table 2.

- B. If the family size is **less** than the minimum in Table 2, *Continuing Participation and Housing Conversions*, **and if in addition**, the gross rent for the unit exceeds the allowable FMR / exception rate for the newly calculated bedroom size, HACLA **must require the family to move**. When issuing the new certificate, HACLA issues a certificate based on the size required by Table 1, *New Admissions*.
- C. Other decreases in family size require no change in the existing certificate size.

Action if the Family Size Exceeds the Maximum:

- A. If the family size **exceeds** the maximum in Table 2, *Continuing Participation and Housing Conversions*, the family is **underhoused** by HQS standards. HACLA **must require the family to move**. HACLA issues a certificate of appropriate unit size in accordance with Table 1, *New Admissions*.
- B. If the family size does not exceed the maximum in Table 2, *Continuing Participation and Housing Conversions*, the certificate size remains the same.
- C. Solely to avoid unnecessary displacement, a new certificate of appropriate bedroom size (according to Table 1, *New Admissions*) may be provided at the family's request to enable the family to remain in the current unit if the actual unit size is larger than the current certificate size and the owner is requesting a higher rent due to the increase in family size. The family may use the new certificate to enter into a new lease with the current owner for the same unit at a higher contract rent. HACLA must execute a new contract with the owner in accordance with other program requirements.

10.8.3.3 Notification of Eligibility for a Different Bedroom Size

The Notice of Annual Reexamination Determination may be used to inform the assisted family that it is eligible for an increased (or decreased) bedroom size if the family wishes to move.

10.9 Changing the Voucher Payment Standard

The payment standard (and the voucher bedroom size) may be changed only at the time of an annual reexamination, and at the time of a new HAP Contract (for the same or another unit). When the family receives a voucher to move (in anticipation of a new HAP Contract), the payment standard for the **current** unit is not changed unless there are other valid circumstances for the change. The requirements for changing the payment standard for a participant are:

A. Decreases in the Payment Standard

If the amount of the payment standard is decreased during the term of the HAP Contract, the lower payment standard is not used to calculate the HAP until the second annual reexamination which follows the decrease in the payment standard amount. If the payment standard is subsequently increased, the payment standard is determined in accordance with B and C below.

B. Increases in the Payment Standard

If the amount of the payment standard (for a given bedroom size) is increased during the term of the HAP Contract, the increased payment standard is applied at the first annual reexamination following the increase in the payment standard.

C. Multiple Changes in the Payment Standard

If there are multiple changes in the payment standard in the two years prior to the annual reexamination, HACLA must determine whether the current payment standard is actually a net increase or decrease by comparing the current payment standard with the payment standard which was last used to calculate the monthly HAP for the family. HACLA then takes appropriate action in accordance with A or B above.

D. Change in Family Size or Composition

If there is a change in family size or composition (including the loss of, or addition of, a live-in aide) that causes a change in the voucher bedroom size for the family during the term of the HAP Contract, the voucher bedroom size is changed at the annual reexamination which immediately follows the change in family size or composition. Paragraphs A, B, and C of this section do not apply. The payment standard (for the new voucher bedroom size) which is in effect on the scheduled effective date of the annual reexamination is used to determine the HAP.

E. HUD Unit Exception Payment Standards (Reasonable Accommodation)

In accordance with HUD PIH Notice 2010-11 an exception payment standard

remains in effect until and unless a higher exception payment standard is warranted, requested and subsequently approved. The calculations required by the same notice provide that HUD approval of exception payment standards will occur only if the family share will exceed 40 percent of the Adjusted Monthly Income (AMI), and the resulting exception payment standard will be premised on the family's continuing to pay 40 percent of AMI as the family share.

An exception payment standard may also be eclipsed by a general voucher payment standard approved by HACLA that is higher than an existing exception payment standard applied to the family.

F. Decrease in the Fair Market Rent

If as a result of a reduction in the Fair Market Rent, the Housing Authority is required to adjust any of its voucher payment standards to remain within the limits of the "basic range" established by HUD, at the discretion of the Housing Authority the decreased payment standard will not be applied to a participant family continuing to reside in an assisted unit. The Housing Authority may choose to continue to use the higher voucher payment standard for as long as the participant family continues to receive housing assistance in that assisted unit.

10.10 Subsidy Standards - Project-based Programs

HACLA will authorize families to occupy project-based units according to the following guidelines. These guidelines may be changed in the same manner as subsidy standards for the tenant-based programs. See Section 10.8, *Subsidy Standards – Tenant-based Programs*, of this Administrative Plan.

10.10.1 Occupancy Standards - Project-based Units

HACLA applies the subsidy standards expressed in Table 2, Continuing Participation and Housing Conversions. The subsidy/occupancy standards shall be applied consistently for all families of like size and composition. However, HACLA may allow reasonable exceptions if justified by age, sex, health or disability. Such exceptions must be documented in the tenant's file.

HACLA also may allow reasonable exceptions for a PBV program if the exception is justified by lack of eligible families to lease four bedroom units or larger unit sizes. The PBV owner must certify that a diligent effort to conduct outreach and select eligible families to fill these unit sizes was made and no eligible families were found. This exception may allow the family size to be one less than the minimum number of persons for four bedroom units or larger unit sizes.

10.10.2 Transfers within a Project

Transfers within a project may be approved if one of the following circumstances exists:

1. The size of the family changes and the unit is no longer appropriate to the family's needs according to the "Minimum Number of Persons" column of the table at Section 10.8.2 Subsidy Standards for Housing Conversions (allowing for any exception required due to the sex of family members) [See also Section 10.10.4, *Overhoused Families in Project-based Units*]; or
2. The unit is no longer appropriate to the family's needs according to the "Maximum Number of Persons" column of the table at Section 10.8.2 Subsidy Standards for Housing Conversions; or
3. The building or unit incurs extensive damage as the result of fire or other causes; or
4. The transfer is needed as a reasonable accommodation for a family that includes a person with disabilities.

10.10.3 Underhoused Families in Project-based Units

If at the time of an Annual or Special Reexamination the family is underhoused according to Housing Quality Standards (HQS), and the owner has no available units of appropriate size and HACLA approves or has approved the additions to the household, HACLA shall offer the family a tenant-based voucher.

If the family is underhoused according to Housing Quality Standards (HQS) due to additions to the household which HACLA does not approve, the members of the family added to the household without HACLA approval must be required to move. The landlord's failure to enforce a HACLA notice requiring unapproved or unapprovable members of the household to move may result in termination of the subsidy.

10.10.4 Overhoused Families in Project-based Units

If at the time of an Annual or Special Reexamination the family is overhoused in accordance with the "Minimum Size of Family" column at 10.8.3, Subsidy Standards for Continuing Participation, the family shall be required to move to the next available unit of appropriate size for the family. If a unit of the appropriate size is not available, HACLA may provide tenant-based voucher assistance if funding is available.

10.11 Public Housing Relocations - Subsidy Standards

Notwithstanding any other provisions of this Chapter 10, families assisted under HACLA Public Housing Programs who are provided vouchers as a means of receiving temporary (or permanent) assisted housing due to the renovation, demolition, reconstruction, repair of public housing or conversion of assistance to long-term, project-based Section 8 rental assistance contracts, including a project in which the Housing Authority has an ownership interest or over which the PHA has control and including the Rental Assistance Demonstration (RAD), may be issued a voucher in accordance with the bedroom subsidy/occupancy standards for Admissions and Continued Occupancy of HACLA’s Public Housing Program (MPP Chapter 201:1). Non-public housing families living at sites containing some public housing units whose units receive non-RAD PBV at HACLA’s discretion, subject to applicable program requirements, also are subject to the terms of this provision.

Number of Bedrooms	Number of Persons Minimum	Number of Persons Maximum
0	1	1
1	1	2
2	2	4
3	4	6
4	6	8
5	8	12

Once households have utilized their tenant-based or project-based vouchers to remain in their current units, moved into Replacement Units or find units in the private market, as applicable, they will become subject to Section 10.8.1 Subsidy Standards for New Admissions for any future moves or unit-sizing requests.

10.12 Exceptions to Subsidy Standards

In determining the unit size for a particular family, HACLA grants an exception to its subsidy standards only to accommodate the verified need for a live-in aide or as a reasonable accommodation to qualified applicants and participants with disabilities. Per PIH Notice 2014-25 "Although families are not required to move from an assisted unit when the number of bedrooms in the unit exceeds the number of bedrooms for which the family is eligible, the payment standard must conform to the PHA’s subsidy standards at the family’s next annual recertification after the change in family composition."

In those instances in which a family requests a reasonable accommodation or a modification of HACLA’s policy due to the disability of an approved member of the household, if the applicant or participant family has submitted a provider/worker verification of disability, HACLA will not require an additional verification of the

disability unless the original documentation submitted by the family member's provider/worker does not adequately describe the need for the accommodation in relation to the applicant's or participant's disability.

HACLA may not exceed the requirements of 24 CFR with regard to limitations on the bedroom size for single persons.

NOTE: If the family contains a member with a disability and the family disagrees with HACLA's determination of appropriate bedroom size, the family may appeal the determination made by Section 8 staff to HACLA's Accessibility Coordinator. However, any request for a family bedroom size which exceeds the 24 CFR requirements with regard to limitations on the bedroom size for single persons or which exceeds other HUD requirements which limit the bedroom size for a family must receive prior written approval from HUD.

[See also Section 2.10, *Objective X: Providing Reasonable Accommodation*, of this Administrative Plan. See HACLA Manual of Policy and Procedure Chapter 125:1, *Nondiscrimination on the Basis of Disability and Reasonable Accommodation Policy and Procedures*, Appendix 3 of this Administrative Plan, for additional information on reasonable accommodation.]

10.12.1 Foster Care

A foster child previously approved by HACLA as part of the family composition shall be allocated one additional bedroom, if required by the Los Angeles County Department of Children and Family Services (DCFS) guidelines.

10.12.2 Pregnant Woman

A family that consists of a pregnant woman (with no other persons in the family) is counted as 2 persons. Otherwise (if there are other persons in the household) a pregnant woman is counted as one person.

10.12.3 Live-in aide

If a live-in aide is approved, one additional bedroom (and only one) shall be allocated to the family unit size in addition to the number of bedrooms determined by the normal application of the Table 1 standards. The family shall not receive a voucher that allocates an additional bedroom for a live-in aide until all the requirements of Section 6.12.2, *Implementation of HUD PIH Notice 2014-25, Over Subsidization in the Housing Choice Voucher Program*, have been met. The family must meet the requirements of Section 6.12.3, *Retaining an Additional Bedroom for a Live-in Aide*, annually in order to retain a family unit size that provides an additional bedroom subsidy for a live-in aide.

In accordance with PIH Notice 2012-33, *Over Subsidization in the Housing Choice*

Voucher Program, issued August 8, 2012, occasional, intermittent, multiple or rotating care givers do not meet the definition of a live-in aide. A live-in aide must reside with the assisted family (as the aide's primary residence) for the unit size to be adjusted.

Regardless of whether a live-in aide has dependents or other family members who are expected to reside in the unit, HACLA will authorize not more than one additional bedroom for the live-in aide and all other persons. The total number of persons who reside in the unit must not exceed the "maximum size of family" in Table 2, Continuing Participation and Housing Conversions, above.

Once the appropriate voucher bedroom size has been determined, the family may use its voucher to seek a unit of appropriate size. If the addition of the live-in aide and family members related to the aide will cause a unit to be overcrowded in accordance with Table 2 above, HACLA must disapprove the addition of the live-in aide. The family must either locate a unit of appropriate size or select a different live-in aide.

10.12.4 Medical Equipment

HACLA may allocate the family one additional bedroom to accommodate medical equipment if such equipment is determined to be necessary by a provider/worker. At each annual inspection of the unit, HACLA shall determine whether the equipment occupies the additional bedroom. If the extra bedroom is not being used for the intended purpose, HACLA must reduce the subsidy standard and the corresponding payment standard at the annual re-examination that immediately follows the inspection.

To receive any future accommodation for an additional bedroom size for medical equipment, the family must have the need for the equipment re-verified by a provider/worker. If the family re-verifies its need for the equipment, HACLA will inspect the unit to ensure the medical equipment occupies the additional room. After HACLA has determined that the equipment is in place, HACLA shall conduct a special reexamination and increase the voucher bedroom size (family unit size) by one additional bedroom to accommodate the equipment.

The special reexamination and change to the higher payment standard shall take effect not sooner than the first of the month following the month in which both of the following conditions are met:

- 1) The family has received HACLA's written approval for the additional bedroom, and
- 2) HACLA has verified that the equipment is in place in the unit.

10.13 Establishing Voucher Payment Standards

A voucher payment standard (VPS) is the dollar amount of the maximum subsidy payment for a family for a given bedroom size. The voucher payment standard is used to calculate the monthly Housing Assistance Payment. HACLA establishes the dollar amounts of its payment standards in accordance with 24 CFR and other HUD guidelines.

HACLA may adjust any of its voucher payment standards at any time within the limits of the “basic range” established by HUD.

Appendix 4 contains historical payment standard information for the plan for the 5 years prior to the publication date of the most recent revision of the Section 8 Administrative Plan.

If the President and CEO has set voucher payment standards at a certain percentage of the published Fair Market Rent (FMR) and HUD subsequently revises the FMR, HACLA automatically adjusts its payment standards to coincide with the change in the FMR. Changes to HACLA’s payment standards triggered by changes in the FMR shall be made prospectively.

A change in HACLA’s voucher payment standards is not considered to be a significant amendment to HACLA’s Agency Plan.

10.14 Application of the Payment Standard

For contracting, HACLA must use the payment standard in effect on the start date of the initial lease. For reexaminations, HACLA uses the following payment standards:

- a) For special or interim reexaminations, the payment standard in effect on the start date of the initial lease or the effective date of the last completed annual reexamination (whichever is later), or
- b) For each annual reexamination, the payment standard in effect on the effective date of such reexamination.

If the annual reexamination is made retroactive to a past date, the payment standard in effect on that past effective date is used. If an annual reexamination was delayed, HACLA uses the payment standard in effect on the date the reexamination should have been effective had there been no delay.

See Section 2.10.2.4, *Payment Standard Exceptions During the Contract Term*, for reasonable accommodation situations which allow a change in the payment standard at a time other than an annual reexamination.

10.15 Utility Allowances

HACLA maintains one set of utility allowances for the assisted housing programs covered by this Administrative Plan.

10.15.1 Review of Utility Allowances

HACLA is required to conduct an annual review of its utility allowance schedule to determine whether the allowances accurately reflect current utility and other service charges. If there has been a substantial change in utility rates in any utility category (defined as a change of 10% or greater in the utility rate for that category since the last time the utility allowance schedule for that category was revised), HACLA must make adjustments to its utility allowance schedule.

HACLA may, at its sole discretion, conduct a utility allowance review more than once a year. HACLA may also, at its sole discretion, make adjustments to its utility allowance schedule if its review indicates a less than substantial change in utility rates.

Adjustments may result in an upward or downward revision of the allowances and are made prospectively.

10.15.2 Use of the Utility Allowance Schedule

At any reexamination, contracting or re-contracting event HACLA must use the current utility allowance schedule in effect on the effective date of the reexamination or contract.

The amount allowed for tenant-paid utilities shall not exceed the appropriate utility allowance for the family unit size as determined by HACLA regardless of the size of the dwelling unit leased by the family.

Notwithstanding the above, upon request by a family that includes a person with disabilities, HACLA shall approve a utility allowance that is higher than the applicable amount on the utility allowance schedule if a higher utility allowance is needed as a reasonable accommodation to make the program accessible to and usable by the family member with a disability.

10.15.3 Utility Reimbursement

If the housing assistance payment in the tenant-based program exceeds the rent to owner, HACLA pays the balance of the housing assistance payment to the family as a “utility reimbursement” by means of a check.

In other assisted housing programs if the utility allowance (for tenant-paid utilities) exceeds the amount of the total tenant payment (TTP), HACLA pays the amount of the difference directly to the family by means of a check.

10.16 Limits on Security Deposits

10.16.1 Tenant-based Programs and Project Based Assistance Program

For assisted leases resulting from Requests for Tenancy Approval which were received **after** December 1, 1995, an owner may collect a security deposit of any amount provided it does not exceed amounts provided in State and local law. HACLA places no additional prohibitions or requirements on the amount collectable for these leases.

For assisted leases in effect **prior** to December 1, 1995, and for assisted leases resulting from Requests for Tenancy Approval received by HACLA **prior** to December 1, 1995, the following continuing restrictions apply:

- 1. For certificate tenancies:** an owner may collect a security deposit provided that it does not exceed the greater of \$50.00 or the amount of the Total Tenant Payment (TTP) as computed by HACLA at the time of initial contracting.
- 2. For voucher tenancies:** an owner may collect a security deposit which may not exceed one month's contract rent.
- 3. As certificate tenancies are converted** to Housing Choice Voucher tenancies in accordance with the Merger Rule, the owner may collect additional amounts from the tenant as a security deposit (as may be required by the new lease for the unit) so long as the total of the amounts collected does not exceed the limits of State and local law.

For public housing conversions to long-term, project-based Section 8 voucher rental assistance contracts, including Rental Assistance Demonstration, families shall be required to pay a security deposit equal to the greater of the tenant portion of monthly rent or \$50.

10.16.2 Moderate Rehabilitation and Moderate Rehabilitation-Single Room Occupancy Programs

Security deposits under these programs depend on HUD program requirements.

10.17 Minimum Tenant Rent

HACLA establishes a minimum rent of \$50.00 in its tenant-based Housing Choice Voucher Program and its Project-based Assistance Program.

The HUD Secretary has set a minimum rent of \$25.00 for the New Construction & Community Investment Demonstration programs. This minimum rent may be waived only by the Secretary.

10.17.1 Minimum Rent and Financial Hardship - General Policy

A family required to pay the minimum rent may request a financial hardship exemption. For the purpose of determining whether a qualifying hardship is temporary or long term, “temporary” is considered to be a period of less than 90 days.

If the family requests a financial hardship, the 90-day period is measured from the date the family requested the hardship exemption.

10.17.2 Exemptions Due to Financial Hardship

The family must apply for a financial hardship exemption from payment of the minimum rent. A financial hardship exemption must be granted if the family provides proof that any of the following situations exists. If the situation is expected to last for at least 90 days from the date the family requested the exemption, a long term exemption is granted. If the situation is expected to last less than 90 days, a temporary exemption is granted.

- The family has lost eligibility for or is awaiting eligibility determination for a Federal, State or local assistance program, including a family member who is a noncitizen lawfully admitted for permanent residence under the Immigration and Nationality Act who would be entitled to public benefits but for title IV of the Personal Responsibility and Work Opportunity Act of 1996;
- The income of the family has decreased because of changed circumstances, including loss of employment, since the last reexamination;
- A death has occurred in the assisted family which has a continuing financial impact on the family.
- The death of an immediate member of the family has occurred which has a continuing financial impact on the family. “Immediate member of the family” means those relatives or step relatives bearing the following relationship to the head or spouse or co-head: spouse, domestic partner, mother, father, son, daughter, sister, brother, grandparent, grandchild, aunts or uncles. (Such persons need not be a member of the assisted family.);
- The family would be evicted because it is unable to pay the minimum rent. “Unable to pay” means that the minimum rent would require the family to pay more than 50 percent of its monthly income (50 percent of one twelfth of annual income) toward the gross rent.

10.17.3 Responsibility of the Family in Long Term Financial Hardship Situations

If a family receives a long term financial hardship exemption, the family is required to report any change in family income to HACLA until the time of its next annual reexamination. The head of household must sign HACLA’s notification of this

requirement. When a change is reported HACLA will perform an interim reexamination. The reexamination will determine whether the family:

- continues to receive a financial hardship exemption,
- is required to pay the minimum rent, or
- is required to pay an amount higher than the minimum rent.

Any increase in the tenant rent or decrease in the Utility Assistance Payment (UAP) will be made effective on the first day of the second month following the month in which the change occurred.

If the family fails to report increases in a timely manner, the family shall be charged retroactively to the extent that HACLA has overpaid any HAP or UAP amounts. The changes will be retroactive to the date any reduction in HAP or UAP should have been effective.

A change in circumstances which removes a family from a financial hardship situation does not relieve the family from reporting changes in income which may be required by Section 12.3.3, *Interim Reexaminations*, of the Section 8 Administrative Plan.

10.17.4 Temporary Financial Hardships

If the financial hardship is temporary, the minimum rent is suspended for 90 days following the request for exemption. After 90 days the minimum rent is reinstated from the beginning of the suspension and the family must repay any back rent owed by the family due to the reinstatement. The change in rent to the owner takes effect on the first of the month following 30 days notice to the family. The family must sign a repayment agreement on terms established by HACLA for the amount of back rent accrued during the period of suspension.

In those cases in which the 90-day suspension overlaps the effective date of an annual reexamination of income, HACLA performs the annual reexamination. If that reexamination results in the continuation of the minimum rent, the family is not charged the minimum rent until the 90-day suspension has expired. If the annual reexamination shows that the rent should be more than the minimum rent, the results of the annual reexamination are implemented on the effective date of the annual reexamination.

10.17.5 Effect of a Determination of No Financial Hardship

If HACLA determines that there is no financial hardship, the minimum rent is reinstated from the beginning of the suspension and the family must repay the amount of back rent owed by the family. The change in rent to the owner takes effect on the first of the month following 30 days notice to the family. The family must sign a repayment agreement on terms established by HACLA for the amount

of back rent accrued during the period of suspension.

10.17.6 Duration of Financial Hardship Exemption

Financial hardship exemptions are reviewed automatically at the next annual reexamination. At that time HACLA must re-determine the family's composition and income. If the family remains subject to the minimum rent and the qualifying hardship continues, the financial hardship exemption continues. At the annual reexamination the head of household must sign a new notification which requires the head to report all changes in income until the next annual reexamination.

10.18 Initial Term of a Tenant-based Lease

The initial term of a lease in the Section 8 tenant-based program must be for at least one year. However, in accordance with HUD regulations, the President and CEO, at his sole discretion, may approve a shorter term in specific instances if such shorter term would improve housing opportunities for specific tenants or classes of tenants and serve to retain existing housing opportunities for low-income families.

10.19 Availability of Funds

It shall be the responsibility of the Finance Officer and the Director of Section 8 to monitor the utilization of certificates and vouchers, to monitor the expenditure and availability of funds for all assisted housing programs, to project when such funds may be depleted and to advise the President and CEO on funding availability and on any implications funding availability may have on the assisted housing programs.

If HACLA determines that funding under the Annual Contributions Contract [ACC] is insufficient to support continued assistance for families in the program in accordance with the terms of the HAP contract, HACLA will suspend certificate or voucher issuance as provided by Section 5.35, Suspension of Activity of this Administrative Plan.

If it is determined that the suspension of activity may not be sufficient to continue housing assistance payments for all contract units and for the full term of the HAP contract, the PHA has the right to terminate the HAP contract by notice to the owner. Program assistance will be terminated following a last-in, first-out unbiased selection criteria based upon HAP contract effective date and time.

HACLA may resume program assistance for the impacted families when it determines that sufficient funding will be available. The impacted families will be placed on the waiting list and receive a Priority 1 preference over other applicants. In order to resume program assistance, an impacted family must meet all applicable program eligibility requirements including the requirements of Chapter 13 of this Administrative Plan.

10.20 Projecting Costs of Vouchers

It shall be the responsibility of the Assistant Section 8 Director for Applications and Contracting to monitor the number of certificates and vouchers currently issued, to project the potential expenditures that may ensue due to lease approvals leading to HAP contracts and to advise the Director of Section 8 on a regular basis on the utilization of allocations of certificates and vouchers and of the potential impact of issued certificates and vouchers on funds available for the assisted housing programs.

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Chapter 11 OWNERS, CONTRACTS, INSPECTIONS, CLAIMS

11.1 Information to Prospective Owners

If available, HACLA provides to all prospective owners the family's prior and current address and the name and address of the owner at the family's prior and current address.

In the case of homeless families, HACLA provides the name and address of the agency providing temporary housing or shelter, or of the agency which referred the family to HACLA.

HACLA does not provide any information to prospective owners regarding prior tenancy, the suitability of the family as a tenant or the desirability or non-desirability of a family except as allowed under Section 5.20, *PBV and Tenant-based Section 8 Screening*, and Section 5.21, *Additional Project-based Screening*, of this Administrative Plan.

Landlords and owners in assisted housing programs are solely responsible for screening and selecting tenants and for determining whether a family is suitable for tenancy. They acknowledge this responsibility by signing the Request for Tenancy Approval.

11.1.1 Alternative Inspections Standards

The Housing Authority may rely upon two different categories of alternative inspections:

1. Inspections of housing assisted under the HOME Investment Partnerships (HOME) program or housing financed using Low-Income Housing Tax Credits (LIHTCs), or inspections performed by HUD's Real Estate Assessment Center (REAC).
2. An inspection method other than HOME, LITHC or REAC provided that HUD has reviewed and approved the use of the method.

The Housing Authority must be able to demonstrate that assisted units meet the housing quality requirements under the voucher program.

11.2 Mandatory Disapproval of Owners

If informed by HUD or otherwise that the owner is debarred, suspended, or subject to a limited denial of participation under 2 CFR Part 2424, or when otherwise directed by HUD, HACLA will publish the names of owners so affected through internal memoranda and will take other action as needed to prevent contracting with such owners.

The notification by HUD does not impair or affect existing contracts already executed by HACLA unless HUD specifically requires such action.

11.3 Disapproval of Owners at HACLA's Discretion

HACLA may deny approval to lease a unit from an owner for any of the following reasons:

1. The owner has violated obligations under a housing assistance payments contract under Section 8 of the 1937 Housing Act;
2. The owner has committed fraud, bribery or any other corrupt or criminal act in connection with any federal housing program;
3. The owner has engaged in drug-related criminal activity or any violent criminal activity including the use of violence or threats of violence against any HACLA employee.
4. The owner has a history or practice of non-compliance with Housing Quality Standards for units leased under the tenant-based programs, or with applicable housing standards for units leased with project-based Section 8 assistance or assisted under any other Federal housing program.
5. The owner has a history or practice of failing to terminate tenancy of tenants of units assisted under Section 8 or any other federally assisted housing program for activity engaged in by the tenant, any member of the family, a guest or other person under the control of any member of the household that:
 - a. Threatens the right to peaceful enjoyment of the premises by other residents;
 - b. Threatens the health or safety of other residents, of employees of the Housing Authority, or of owner employees or other persons engaged in the management of the housing;
 - c. Threatens the health or safety of, or the right of peaceful enjoyment of their residences by, persons residing in the immediate vicinity of the premises;
or
 - d. Is drug-related criminal activity or violent criminal activity.
6. The owner has a history or practice of engaging in verbal or physical abuse or harassment to tenants or employees of the Housing Authority.

The Section 8 Director will establish, based on the seriousness of the reason, the period of time for which HACLA will deny approval of leases and contracts.

11.4 Rents and Rent Changes

During the term of an assisted lease, the rent to owner for an entire single month shall be paid in whole dollar amounts. If a rental increase is capped by the City of Los Angeles Rent Stabilization Ordinance, or other law or regulation, at a certain percent of the prior rent, the new rent shall be rounded down to the nearest whole dollar amount.

Regardless of the start date of a lease or HAP contract, any rental increase to the family and any change in the HAP payment to the owner shall become effective on the first day of the applicable month.

HACLA may redetermine the reasonable rent at any time. Even if an owner's rent is reasonable, HACLA may request owners to voluntarily agree to a temporary rent reduction or defer rent increases to help HACLA avoid the termination of HAP contracts due to funding shortfalls.

11.5 Rights of HACLA if an Owner Breaches the HAP Contract

Rights of HACLA are specifically stated in each HAP Contract executed by HACLA and include the suspension of Housing Assistance Payments (HAP), abatement or reduction of Housing Assistance Payments, termination of Housing Assistance Payments and termination of the HAP Contract.

If an owner receives HAP for any month in which the owner is ineligible to receive HAP because of a breach of the HAP contract, HACLA will notify the owner in writing of the ineligible HAP payment and require the owner to repay the overpayment to HACLA within 30 days. If the owner does not comply, a collection fee will be added to the amount owed. HACLA will deduct the amount due to the PHA from any amounts due to the owner under any other HAP contract. If there is no other HAP contract with the owner, the PHA may seek and obtain additional relief by judicial order or action in accordance with state and local laws.

If the owner disagrees with the amount owed, the owner should contact in writing HACLA. HUD's record retention policies at 24 CFR Part 908 and 24 CFR Part 982 provide that HACLA will destroy records three years from the date participation in the program ends. To ensure the availability of records, disputes of the original debt must be made within three years from the end of participation date; otherwise the debt will be presumed correct. HACLA will notify the owner in writing of its determination within 30 days of receiving the written dispute.

Owner actions that constitute a breach of contract are defined within the HAP Contract in language prescribed by HUD. [See also Section 11.18.4, *Abatements Due to Non-compliance with Housing Quality Standards (HQS)*; Section 11.21, *Termination of Contract (or Subsidy) for HQS Violations*; and Section 11.22, *HACLA Termination of Contract or Subsidy for Reasons Other than Owner HQS Violation*.]

11.6 Owner Requirements Prior to Contracting

11.6.1 General Requirements

Prior to the execution of any HAP Contract, HACLA requires proof of ownership of the unit to be assisted. HACLA may require the owner to provide such proof.

The owner or landlord must also provide documents to establish the right and authority of persons other than the owner to be signatory to the HAP Contract or to act on behalf of the legal owner as the owner's representative or as payee.

Prior to approving a tenancy or signing a HAP Contract with an owner, HACLA requires the owner to:

1. Meet any applicable lead-based paint disclosure requirement;
2. Certify in writing that the owner is not related to the family. (The family relationship certification is not required for contract conversions required by the Merger Rule.);
3. Complete an Owner's Certification of No Conflict of Interest; and
4. Enroll in the Housing Authority's electronic funds transfer program.

For changes in ownership for an assisted unit that is under abatement due to Housing Quality Standard deficiencies which are the owner's responsibility, the Inspections Department will send the new owner a written notice listing all HQS deficiencies. The written notice must provide a 30 day calendar period to correct deficiencies from the date the new owner has the legal right to lease the assisted unit to a S8 participant family. These provisions apply only for abatements effective for less than 90 calendar days due to owner non-compliance with HQS.

11.6.2 Owner and Payee Documentation

HACLA requires certain documentation to insure that owners and payees have a legal right to housing assistance payments and that correct information is provided to the Internal Revenue Service.

HACLA shall maintain documentation on all owners and payees participating in assisted housing programs covered by this Administrative Plan.

11.6.2.1 HACLA Independent Verification

HACLA shall verify property ownership by researching property vesting information contained in public records prior to authorizing any HAP contract.

HACLA shall determine whether any proposed party to a HAP contract is on

the Federal Government's Excluded Parties List or whether any party should otherwise be excluded from contracting with HACLA in virtue of being debarred, suspended or subject to a limited denial of participation under 2 CFR part 2424.

11.6.2.2 Documents Required of All Owners and Payees

HACLA verifies the following documents of all owners and payees:

- A copy of the property's title or vesting documents that establishes ownership of the rental property that is consistent with information provided by the owner in the Request For Tenancy Approval (RFTA) packet, or a copy of the recorded Grant Deed for the assisted property (a Deed of Trust is not an acceptable replacement);
- A copy of a signed, completed IRS form W-9, Request for Taxpayer Identification Number and Certification for each owner entity;
- A copy of a signed, completed IRS form W-9, Request for Taxpayer Identification Number and Certification for any payee if different from the owner entity; and
- A letter of authorization signed by all owners if there will be a designated signatory for the HAP contract;

Per HUD guidance (EHV FAQs version no.5), to be an eligible HCV landlord at a minimum the landlord must meet the following requirements for approval of an assisted tenancy

- Verification of property ownership
- Property taxes must be current
- Owner may not have any unpaid debt to the Housing Authority; and
- A valid property management agreement if there is a party acting as an agent for a landlord.

Effective immediately, HACLA will not require a valid government issued photo identification card for each owner and authorized signatory.

11.6.2.3 Documentation Required for Certain Types of Ownership

HACLA requires the documentation listed below for specific types of ownership:

Corporation:

A copy of the filed Certified Statement of Corporation (S-0 200) or a copy of the Corporate Resolution, with all the officers listed (only the title page, the page identifying officers, and the signature page are required).

Limited Partnership (LP):

A copy of the filed Certified Statement of Limited Partnership (LP-1), which must be signed and dated by a verified general partner.

Limited Liability Company (LLC):

A copy of the filed Statement of Information of Liability Company (LLC-12) that names the LLC manager(s) or a copy of the Operating Agreement.

11.7 Method for Determining Rent Reasonableness

HACLA makes rent reasonableness determinations in accordance with HUD regulations and guidelines. HACLA may make determinations of rent reasonableness at its sole discretion at any time to insure compliance with Housing Quality Standards (HQS) and HUD regulations.

HACLA uses the services of a third party vendor and its rent reasonableness calculation model, a proprietary system, as its primary means of determining reasonable rents for assisted units. The third party vendor uses a hedonic pricing model that estimates appropriate local market prices for various housing characteristics based on what renters are willing to pay for units with specific characteristics in given areas. The third party vendor customized this system and made it unique to HACLA's local rental market.

11.7.1 Third Party Vendor Criteria Used to Determine Comparable Rent

The following data is collected by rent surveyors and HACLA inspection staff for input to the third party vendor system to determine the comparable rent:

- Unit location,
- Bedroom size,
- Number of baths,
- Building type (if multiple detached, the number of units on the lot),
- Condition of the unit,
- Number of units in the building,
- Building age,
- Square foot area of the unit,
- Appliances included with the rent (dishwasher, garbage disposal, laundry room, microwave, stove, refrigerator, washer, dryer, etc.),
- Amenities included with the rent (air conditioning, security system, cable, ceiling fan, elevator, fireplace, gated community, exercise equipment, heating type (e.g. central, floor, wall), lawn maintenance, parking type, playground space, pool, balcony, patio, yard, views, carpet, wood floors, etc.),
- Owner-paid utilities,
- Tenant-paid utilities and fuel type (electric, gas).

11.7.2 Sources for Comparable Rents

The third party vendor system is the primary method approved for determining comparable rents for assisted units that are not owned by HACLA.

See Section 11.10 for rent reasonableness tests for HACLA-owned units.

If a landlord requests a rent increase for an assisted unit for which data has not

yet been captured in the third party vendor system or if the system is not available, a HACLA inspector will be sent to the unit to gather the unit information needed for the system.

11.7.3 Interior Comparables

HACLA insures that the rent for assisted tenant-based units does not exceed rents reported by the owner for like and similar unassisted units on the premises.

For the initial contract of a unit, if the unit is a multifamily property (defined by HUD as consisting of five or more units on the premises), the owner must provide information on the last three rentals of like and similar unassisted units on the Request for Tenancy Approval (RFTA).

If an owner requests a rent increase, the owner must provide HACLA with information on the three most recently rented unassisted like and similar units on the premises within the last year or indicate that there were no such rentals within the last year.

The rent for the unit may not exceed the lower of the calculated reasonable rent as determined by the third party vendor system if such information is available or the most recent interior comparable rent for unassisted units on the premises provided by the landlord.

In the case of a re-determination of rent reasonableness during the term of the HAP Contract, HACLA may require an owner to provide rent reasonableness information in writing at any time.

11.7.4 Requirements for Initial Contracting

Prior to approving an assisted tenancy and thus prior to execution of the HAP Contract, HACLA insures that the proposed contract rent is supported by the third party vendor system if such information is available.

The rent to owner must not exceed the lower of the third party vendor calculated reasonable rent or the most recent interior comparable rent for unassisted units on the premises provided by the owner if such information is available.

11.7.5 Units Not Covered by the Third Party Vendor System

The third party vendor system does not provide information for single room occupancy units or for mobile home or space rentals. In some cases the third party vendor system may not provide adequate information on specific types of units in certain areas. For units not covered by the system, comparable rents will be determined by a HACLA inspector using traditional comparability methods (See Section 11.9, *Method for Determining Rent reasonableness - Inspector Determinations*, below).

11.8 Appeals of Comparable Rent Determinations

If the landlord disagrees with the comparable rent provided by the system, HACLA staff will review with the landlord the unit information currently recorded on the Unit Information Form for the assisted unit in question. If the owner disagrees with HACLA's designation of the unit's characteristics, features or amenities, the inspection or rent reasonableness unit may schedule an appointment with the landlord to review the subject property and may make appropriate corrections to the third party vendor unit information.

If corrections are made to the unit information used by the third party vendor, the rent reasonableness unit will request a revised calculation of the comparable rents from the third party vendor. This revised calculation will be used to determine the reasonable rent regardless of whether the revised calculation is higher or lower than the original third party vendor determination.

If, after review of the subject property, no corrections to the unit information are appropriate, the comparable rent determined by the initial third party vendor calculation shall be used to determine rent reasonableness.

Additional appeals may be provided through HACLA's chain of command.

HACLA may, at its sole discretion, establish categories of units for which a reasonable rent may be determined using the third party vendor or other data that does not specifically involve comparison with five equivalent or comparable units.

11.9 Method for Determining Rent Reasonableness - Inspector Determinations

HACLA Inspectors will use HACLA Certification of Rent Reasonableness form when making rent reasonableness determinations. Inspectors shall insure that units used to determine reasonable rents are, at a minimum, like and similar to the subject unit in location, size, age, type and quality.

11.9.1 Criteria for Comparability

In conducting the rent reasonableness test, HACLA Inspector takes into account the following:

1. Location of the unit within the community;
2. Unit Size, including number of bedrooms, bathrooms, and square feet of living space;
3. Unit Type, such as apartment, elevator building, townhouse, single family dwelling;
4. Quality, the extent to which the unit meets or exceeds the Housing Quality Standards (HQS) or any variations of HQS approved by HUD;
5. Unit Age, and whether the unit may have been recently rehabilitated;

6. Amenities, including air conditioning, carpeting, dishwasher, washer/dryer connections, garbage disposal, location of the unit in the building, security etc.;
7. Facilities, including availability of playgrounds, storage, parking, swimming pool, etc.;
8. Housing Services and Maintenance Services provided, such as the availability of an on-site resident manager, daily maintenance, etc.; and
9. Utilities to be provided by the owner under the lease.

11.9.2 Location of Comparable units

Wherever possible, the Housing Inspector selects comparable unassisted units which are located within the same neighborhood as the unit. If the Inspector is unable to locate comparable units within the same neighborhood, the Inspector may go outside the area as long as the comparable unassisted unit is located in a like and similar neighborhood. The Housing Inspector must document the reason for going outside the subject unit's neighborhood on HACLA Certification of Rent Reasonableness.

11.9.3 Sources for Comparable Rents

HACLA considers the following to be acceptable sources for comparable rents:

1. Data provided by real estate publication services such as the Multiple Listing Service (MLS), or Data Quick AIRDEExtra or a comparable source of information. In such cases the Inspector must verify that the comparable unit is like and similar by conducting a drive-by inspection of the comparable unit;
2. Data collected by on-site visits to comparable unassisted units in comparable areas;
3. Telephone or other query to brokers or Realtors in the area;
4. Verification of advertised rental amounts for comparable unassisted units in the area;
5. Information provided by internet sites providing rental information such as Westsiderentals.com, Forrent.com and, Rent.com, provided that the inspector conducts a drive-by inspection of the proposed comparable unit to insure it is like and similar.

11.10 Rent Reasonableness Tests for HACLA-owned Units

In all HACLA tenant-based programs, an independent entity approved by HUD must be responsible for determining the rent reasonableness of HACLA-owned units and for assisting families in negotiating the rent for such units.

11.11 Inspection Standards

In its inspections HACLA uses HUD standards described in 24 CFR, in HUD inspection manuals and in HUD Handbooks. In addition HACLA applies some Building and Safety standards contained in the Los Angeles Municipal Code. HACLA publishes HQS Training Bulletins as needed to establish and clarify policy and procedure

regarding inspection standards.

The Los Angeles HUD Area Office has approved criteria variations in the Housing Quality Standards for use by HACLA. These approved variations are set forth in the following HQS Training Bulletins which may be obtained at the Section 8 Administrative Offices.

1. Smoke Detectors (Rescinded)
2. Electric Water Heater (Rescinded)
3. Strapping Water Heater (Rescinded)
5. Smoke Detectors: Required Locations
6. Safety Tips (Rescinded)
7. Water Heater (Rescinded)
8. Location of Water Heaters (Rescinded)
9. 10 Keys to Good Inspections (Rescinded)
10. Comparable Rents (Rescinded)
11. Making Responsible Decisions (Rescinded)
12. Glossary of Home Inspections (Rescinded)
13. A Look at the HAPP INSP. 2 Form Part 1 (Rescinded)
14. A Look at the HAPP INSP. 2 Form Part 2 (Rescinded)
15. Lead Based Paint (Rescinded)
16. Ceilings, Walls and Interior Paint
17. Tandem Bedrooms (Rescinded)
18. Developing Good Inspector/Owner Relations (Rescinded)
19. Windows, Glass, Screens
20. Screens for Sliding Glass Doors (Rescinded)
21. Cooperation and Communication (Rescinded)
22. Hot Water Heaters and Earthquake (Rescinded)
23. Door Frame Stop (Rescinded)
24. Comparable to SFR vs. Duplex (Rescinded)
25. Elimination Lead Based Paint (Rescinded)
26. Relationship within Owners and Tenants (Rescinded)
27. Disabled Vehicles Parked on Lawn
28. Building Exterior: Repairing Driveways, Sidewalks and Curbs
29. Range Hood Deficiencies
30. Garages, Storage Sheds, Basements and Bonus Rooms
31. Swimming Pools, Single Family and Multi-family Dwellings
32. Tenant Blocking Rear Door of a Unit
33. Wall-mounted Faucets and Angle Stops
34. Microwave in Lieu of Stove (Rescinded)
35. Minimum Square Footage for a Bedroom
36. Signaling Systems/Smoke Detectors for the Hearing Impaired
37. Emergency Escape Windows (Rescinded)
38. Damaged or Missing Door Jambs, Door Frame Stops
39. Microwave Acceptable in Lieu of an Oven and Stove or Range (Rescinded)
40. Elevator Certificates (Rescinded)
41. Request for Temporary Certificate of Occupancy

42. Elevator Certification Process Streamlined (Rescinded)
43. Interior Comparable Rents (Rescinded)
44. Plumbing Stoppages
45. Protective Air Filter Masks (Rescinded)
46. Guidelines for Inspectors to Use to Determine Unsafe Conditions (Rescinded)
47. Guidelines for Senior Inspectors to Use to Cancel Inspections or Adjust Inspectors Routes (Rescinded)
48. Earthquake Strapping/Bracing of Hot Water Heaters
49. Basement Smoke Detectors
50. Single Cylinder Deadbolt Locks Required on All Entry Doors
51. Double Cylinder Deadbolt Locks Not Acceptable on Exterior Gates
52. Window Locks for Openable Windows
53. Stairway Illumination (Rescinded)
54. How Do I Handle 24-Hour Abatement Procedure? (Rescinded)
55. Obtaining Comparable Rents (Rescinded)
56. Smoke Detectors on Each Level of a Dwelling Unit
57. Lead-Based Paint and HQS Inspection
58. How to Handle Major Deficiencies (Rescinded)
59. Expired Elevator Certificates (Rescinded)
60. Exterior Deteriorated Paint
61. Hot Water Heaters in Garages
62. Stairway Lighting
63. Tenant's Housekeeping (Rescinded)
64. Safety Tips (Rescinded)
65. Ground Fault Circuit Interrupter GFCI-GFI (Rescinded)
66. Portable Fire Extinguishers (Rescinded)
67. Lead Based Paint Visual Inspections Requirements (Rescinded)
68. Quick Release Mechanism (Rescinded)
69. Portable Closets (Rescinded)
70. Adequacy of Heating Equipment (Rescinded)
71. Locks on Bathroom Doors (Rescinded)
72. Owner Certification for Inaccessible Water Heaters and Furnaces (Rescinded)
73. Property Addresses (Rescinded)
74. Utilities on at the Time of Initial Inspections (Rescinded)
75. Owner's Certification for Smoke Detectors (Rescinded)
76. Signaling Systems/Visual Smoke Detectors (Rescinded)
77. Handrails (Rescinded)
78. Ceiling Heights (Rescinded)
79. Room Dimensions (Rescinded)
80. Streamlined Elevator Certification Process
81. Quick Release Mechanism
82. Required Locks on Entry Doors
83. Required Certificate of Occupancy (Rescinded)
84. Carbon Monoxide Detectors

In addition to the training bulletins, the Los Angeles HUD Area Office has approved
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the use of the Los Angeles Fire and Life Safety Code Regulations for use as an approved HQS criteria variation.

11.12 HQS Deficiencies

An HQS deficiency is any deficiency that causes the unit to fail to meet HUD's performance and acceptability criteria set forth in Title 24 of the Code of Federal Regulations for the assisted housing program or any other criteria prescribed or authorized by HUD.

Except for the approved variations listed in Section 11.11, *Inspection Standards*, HACLA uses the same definitions and requirements prescribed by HUD to determine whether a deficiency in the unit is classified as an "HQS deficiency."

Citation of an HQS deficiency causes the unit to fail its inspection.

HACLA reserves the right to modify the language of its inspection letters and forms to reflect any revisions to performance and acceptability criteria.

11.13 Verification of Corrected Deficiencies

The owner or the family must correct all HQS deficiencies identified by a HACLA inspector. A HACLA Inspector must verify that HQS deficiencies have been corrected by a physical on-site inspection prior to passing the unit. HACLA Inspector must indicate on the approved HACLA unit inspection form that HQS deficiencies have been corrected.

For HQS deficiencies that are the responsibility of the owner, the Housing Authority may charge a reinspection fee after the first reinspection under two circumstances:

1. if an owner notifies the PHA that a deficiency cited in the previous inspection has been repaired and a reinspection reveals that it has not and/or
2. if the allotted time for repairs has elapsed and a reinspection reveals that any deficiency cited in the previous inspection that the owner is responsible for repairing has not been corrected.

The Housing Authority must not apply the fee to an owner for:

- deficiencies caused by the participant family;
- initial, biennial and special inspections;
- an instance in which an inspector was unable to gain access to a unit; or
- new deficiencies identified during a reinspection. If new deficiencies are uncovered during reinspection, a PHA should follow normal procedures to address these newly identified deficiencies.

An owner who is assessed a fee shall not pass the fee on to a family.

The reinspection fee will be set at the same amount the Housing Authority pays for reinspections of HACLA owned units conducted by an independent entity.

11.13.1 Third Party Certifications

Exceptions to on-site verification of the correction of HQS deficiencies are limited to those cases in which HACLA Inspector has no expertise. In these cases, HACLA may rely on the certification of an approved State or local agency. Examples of such certification include, but are not limited to: certificates or permits to operate an elevator, certifications that a unit is free of lead based paint, certification of the completion of lead based paint abatement procedures.

11.13.2 Elevator Certification

If the Elevator Division of the Department of Building and Safety of the City of Los Angeles has been unable to perform a timely inspection and certification of an elevator on the premises, HACLA requires that the owner apply for a priority elevator inspection and obtain a receipt for same from the Elevator Division. If the owner provides such receipt, HACLA Inspector may pass the elevator conditionally until the next annual inspection. At the next immediate annual inspection, the owner must provide an updated certificate issued within the past year in order to pass the HQS inspection.

Notwithstanding the above, a HACLA Inspector may fail the unit at any inspection if the elevator is inoperable or poses a risk to the tenant. HACLA may at any time cite the unit for a HQS deficiency upon notification by the Elevator Division of any defect in the elevator system.

11.14 Validity of Initial (Passed) Inspections

Nothing in this section or its subsections shall prohibit HACLA from conducting additional inspections to determine whether a unit meets or continues to meet HQS standards prior to the start of a new HAP Contract, or a new tenancy in an assisted unit, or prior to the close of escrow for a unit being considered for the Section 8 Homeownership Program.

11.14.1 Section 8 and McKinney Act Units

The results of an initial (passed) inspection for an assisted unit are valid for a maximum of 60 calendar days. The start date of the assisted lease must fall within this period. If the start date of the lease will be later than the 60th day, the unit must be re-inspected and must pass inspection prior to the start of the HAP Contract.

Unless otherwise prohibited by HUD regulations, an annual inspection of an assisted unit may be used as an initial contract inspection provided that the pass

date of the annual inspection is not more than 60 days prior to the start of the new contract.

11.14.2 Units Undergoing Housing Conversion Actions

For projects affected by Housing Conversion actions, the initial (passed) inspection is valid for a period of 120 days.

11.14.3 Conversions from Certificate to Voucher Program

For units that will convert from certificate to voucher contracts or tenancies, an annual inspection may be used as an initial contract inspection provided that the pass date of the annual inspection is not more than 120 days prior to the start of the new contract or tenancy.

11.14.4 Section 8 Homeownership Inspections

The results of an initial (passed) inspection required by HUD regulations remain valid until the close of escrow. The family may request an additional HQS inspection of the unit prior to the close of escrow if that request is included in the escrow instructions.

11.15 HQS Inspections of HACLA-owned Units

In all HACLA tenant-based programs, an independent entity approved by HUD must be responsible for performing all required HQS inspections of HACLA-owned units and for notifying the family and HACLA of the results of such inspections. The Section 8 Department will apply the requirements of Section 11.18, *Annual and Special Inspections*, to HACLA-owned property except that subsection 11.18.8, *Project and Sponsor-based Units - Responsibility of Owner*, does not apply.

11.16 Mobile Homes

A special Tenancy Addendum and a special HAP Contract are required for rental of a mobile home SPACE. Mobile home rentals and mobile home space rentals are covered at 24 CFR 982.620, et. seq.

11.16.1 Comparable Rents

If the family rents both the mobile home and the mobile home space, then internal comparable rents are based on what other families are being charged for rental of similar mobile homes at similar mobile home spaces in the mobile home park, and exterior comparable rents are based on what families are being charged for rental of similar mobile homes at similar mobile home spaces sited at other comparable parks.

If the family owns the home and rents only the mobile home space, then internal comparable rents are rents being charged for similar mobile home spaces in the park and exterior comparable rents are based on what families are being charged for rental of similar mobile home spaces sited at other comparable parks.

11.16.2 Inspections and Deficiencies

If the family is renting both the mobile home and the mobile home space, then determination of responsibility for correcting HQS deficiencies follows the same rules as for a regular unit. The inspector determines whether the deficiency was caused by the family or owner or is the result of normal wear and tear.

If the family owns the unit and rents only the mobile home space, then all deficiencies within the mobile home are the responsibility of the family. Only those HQS deficiencies (mainly exterior deficiencies) over which the landlord has control should be cited as owner deficiencies.

11.17 Frequency of Inspections

In addition to inspections conducted prior to an initial contract, HACLA conducts inspections at least biennially on all assisted units. In addition, a unit in any program may be inspected at the request of the tenant or the owner (special or damage or move-out inspection), or at the request of another city department or agency, or at any time HACLA may have cause to believe that HQS violations may exist, including but not limited to risk assessment based on previous inspection results.

Project-based Voucher units (PBV) need not be inspected annually. For a treatment of inspections of Project-based Voucher (PBV) units see Section 17.24 through Section 17.28 of this Administrative Plan.

11.18 Biennial and Special Inspections

Following a Biennial or Special Inspection, if the assisted unit fails inspection HACLA provides the owner and the family with a copy of the completed unit inspection form which lists HQS deficiencies and whether responsibility for the correction of the deficiencies lies with the owner or the family. In order to pass an inspection, all HQS deficiencies must be corrected. For HQS deficiencies that are the responsibility of the owner, the Housing Authority may charge a reinspection fee after the first reinspection (See Section 11.13 Verification of Corrected Deficiencies of this Administrative Plan).

11.18.1 Normal Period for Correction of HQS Deficiencies

After a biennial inspection, the tenant and the owner are given a period of time to correct any HQS violations found in the unit. The unit is automatically re-inspected within 30 calendar days. If the 30 calendar days timeframe falls on a weekend or a holiday, the reinspection will be scheduled for the previous business day. For

HQS deficiencies that are the responsibility of the owner, the Housing Authority may charge a reinspection fee after the first reinspection (See Section 11.13 Verification of Corrected Deficiencies of this Administrative Plan).

At the discretion of HACLA for non-emergency and/or non-life threatening deficiencies HACLA shall verify that the deficiencies are corrected. The verification may include, but is not limited to: owner's certification, a receipt from a vendor, a photo of the repair or tenant confirmation that required repairs are complete. If this method is used, HACLA will verify the correction of HQS deficiencies at the next scheduled annual inspection.

If the unit fails the re-inspection due to HQS deficiencies which were listed at the original inspection, and the deficiencies were the responsibility of the owner, the housing assistance payments to the owner are abated.

If the inspector cannot gain entry to the unit at the scheduled re-inspection, the unit is treated as if it had failed the re-inspection and payments to the owner are abated.

11.18.2 Twenty-four Hour Correction

If a deficiency is life threatening, HACLA requires the owner or tenant to correct the deficiency within 24 hours. If the deficiency is due to the owner, HACLA may abate housing assistance payments if repairs are not made within 24 hours.

If corrections are not made within 24 hours, an abatement must take effect on the first of the month following the expiration of the 24-hour correction period. If necessary, HACLA will debit the owner retroactive to this date.

If the deficiency is due to a family participating in the tenant-based programs, HACLA may take action to terminate assistance due to a violation of the family obligations. [See Section 11.18.8, *Project and Sponsor-based Units - Responsibility of Owner*, below, for owner responsibilities in Project-based and Sponsor-based units.]

HUD's definition of life-threatening conditions includes:

- (1) Gas (natural or liquid petroleum) leak or fumes
- (2) Electrical hazards that could result in shock or fire
- (3) An inoperable or missing smoke detector
- (4) Interior air quality (inoperable or missing carbon monoxide detector, where required)
- (5) Gas/oil fired water heater or heating, ventilation, or cooling system with missing, damaged, improper, or misaligned chimney or venting
- (6) Lack of alternative means of exit in case of fire or blocked egress
- (7) Other interior hazards (missing or damaged fire extinguisher, where required)
- (8) Deteriorated paint surfaces in a unit built before 1978 and to be occupied by a family with a child under 6 years of age

(9) Any other condition subsequently identified by HUD as life-threatening in a notice published in the Federal Register

(10) Any other condition identified by the Housing Authority as life-threatening

Life-threatening conditions are defined as:

Category	Life-Threatening Conditions
(1) Gas (natural or liquid petroleum) leak or fumes	<ul style="list-style-type: none"> • A fuel storage vessel, fluid line, valve, or connection that supplies fuel to a HVAC unit is leaking. • A strong gas odor detected with potential for explosion or fire, or that results in health risk if inhaled.
(2) Electrical hazards that could result in shock or fire	<ul style="list-style-type: none"> • A light fixture is readily accessible, is not securely mounted to the ceiling or wall, and electrical connections or wires are exposed. • A light fixture is hanging by its wires. • A light fixture has a missing or broken bulb, and the open socket is readily accessible to the tenant during the day to day use of the unit. • A receptacle (outlet) or switch is missing or broken and electrical connections or wires are exposed. • A receptacle (outlet) or switch has a missing or damaged cover plate and electrical connections or wires are exposed. • An open circuit breaker position is not appropriately blanked off in a panel board, main panel board, or other electrical box that contains circuit breakers or fuses. • A cover is missing from any electrical device box, panel box, switch gear box, control panel, etc., and there are exposed electrical connections. • Any nicks, abrasions, or fraying of the insulation that expose conducting wire. • Exposed bare wires or electrical connections. • Any condition that results in openings in electrical panels or electrical control device enclosures. • Water leaking or ponding near any electrical device. • Any condition that poses a serious risk of electrocution or fire and poses an immediate life-threatening condition.
(3) Inoperable or missing smoke detector	<ul style="list-style-type: none"> • The smoke detector is missing. • The smoke detector does not function as it should.
(4) Interior air quality (inoperable or missing carbon monoxide detector)	<ul style="list-style-type: none"> • The carbon monoxide detector (where required) is missing. • The carbon monoxide detector does not function as it should.
(5) Gas/oil fired water	<ul style="list-style-type: none"> • The chimney or venting system on a fuel fired water

<p>heater or heating, ventilation, or cooling system with missing, damaged, improper, or misaligned chimney or venting</p>	<p>heater is misaligned, negatively pitched, or damaged, which may cause improper or dangerous venting of gases.</p> <ul style="list-style-type: none"> • A gas dryer vent is missing, damaged, or is visually determined to be inoperable, or the dryer exhaust is not vented to the outside. • A fuel fired space heater is not properly vented or lacks available combustion air. • A non-vented space heater is present. • Safety devices on a fuel fired space heater are missing or damaged. • The chimney or venting system on a fuel fired heating, ventilation, or cooling system is misaligned, negatively pitched, or damaged which may cause improper or dangerous venting of gases.
<p>(6) Lack of alternative means of exit in case of fire or blocked egress</p>	<ul style="list-style-type: none"> • Any of the components that affect the function of the fire escape are missing or damaged. • Stored items or other barriers restrict or prevent the use of the fire escape in the event of an emergency. • The building's emergency exit is blocked or impeded, thus limiting the ability of occupants to exit in a fire or other emergency.
<p>(7) Other interior hazards (missing or damaged fire extinguisher, where required)</p>	<ul style="list-style-type: none"> • A fire extinguisher (where required) that is missing, damaged, discharged, overcharged, or expired. (This applies only if the PHA has adopted an acceptability criteria variation to the HQS to require fire extinguishers.)
<p>(8) Lead-Based Paint</p>	<ul style="list-style-type: none"> • Deteriorated paint surfaces in a unit built before 1978 and to be occupied by a family with a child under 6 years of age.
<p>(9) Any other condition identified by the Housing Authority</p>	<ul style="list-style-type: none"> • Missing entry door. Per § 982.401 (d)(2)(iv), the exterior doors of the dwelling unit must be lockable. Exterior doors are doors by which someone can enter or exit the dwelling unit. • Waterlogged/damaged ceilings, wall, or floors in imminent danger of potential collapse. Per § 982.401 (g)(2)(i)-(iii), ceilings, walls, and floors must not have any serious defects such as severe bulging or leaning, large holes, loose surface materials, severe buckling, missing parts, or other serious damage; the roof must be structurally sound and weathertight; and, the exterior wall structure and surface must not have any serious defects such as serious leaning, buckling, sagging, or large holes. • Presence of a non-working air conditioner or lack of

	<p>adequate ventilation when the outside temperature has reached above 90 degrees Fahrenheit. Per § 982.401 (e)(2)(i), there must be a safe system for cooling the dwelling unit. The system must be in proper operating condition. The system must be able to provide adequate cooling, either directly or indirectly, to each room, in order to assure a healthy living environment appropriate to the climate.</p> <ul style="list-style-type: none"> • No running hot water. Per § 982.401 (c)(2)(ii), the dwelling unit must have a kitchen sink in proper operating condition, with a sink trap and hot and cold running water. Per § 982.401 (b)(2)(iii), The dwelling unit must have a shower or a tub in proper operating condition with hot and cold running water. • Structural Integrity Condition: a condition exist where the building, or a component of the building, is in imminent danger of potential collapse. Per § 982.401 (g)(1), the dwelling unit must be structurally sound; the structure must not present any threat to the health and safety of the occupants and must protect the occupants from the environment. • Absence of a functioning toilet. Per § 982.401 (b)(1) and (2)(i), the dwelling unit must include sanitary facilities located in the unit. The sanitary facilities must be in proper operating condition, and adequate for personal cleanliness and the disposal of human waste; the bathroom must be located in a separate private room and have a flush toilet in proper operating condition.
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11.18.3 Extensions

At the request of the party (tenant or owner) judged responsible for the deficiency, HACLA may grant extensions to correct HQS deficiencies to the extent that such extensions do not exceed HUD regulations.

11.18.4 Abatements Due to Non-compliance with Housing Quality Standards (HQS)

An abatement is a cessation of housing assistance payments to an owner. When an owner's housing assistance payment is abated due to the owner's failure to comply with HQS, the abated monies are not repaid to the owner but are forfeited. An abatement is released and housing assistance payment resumes on the date HACLA determines that the unit is free from those HQS deficiencies that resulted in the abatement and which are the owner's responsibility.

If the inspector determines that corrections have not been made at the time of the scheduled re-inspection, or if the inspector cannot gain entry to the unit on the day of the scheduled re-inspection, HACLA shall abate the unit beginning with the first of the month following the expiration of the 30 day correction period or any extension thereof. If necessary, HACLA will debit the owner retroactive to this date.

To address financial shortfalls and reduce costs in the Section 8 program, HACLA may abate the unit beginning with the effective date of the scheduled re-inspection.

For abatements and terminations in the Project-based Voucher (PBV) program, see Section 17.28, *Abatements and Terminations - PBV Contracts*, of this Administrative Plan.

11.18.5 Abatements Due to Primary Renovation

If, in accordance with the City of Los Angeles Primary Renovation Program, an assisted family is required to be temporarily absent from the unit, the HAP for the unit shall be abated on the first of the month following the date the family is required to leave the unit until the date that renovation work has been completed and the renovated unit has passed an HQS inspection. [See also Section 11.19.4, *City RSO - Primary Renovation Program*.]

11.18.6 Tenant Prevention of Owner's Work to Correct Deficiencies

In those cases in which an owner claims that the tenant will not permit or allow correction of HQS deficiencies, HACLA may reimburse the owner for abated amounts if the owner provides evidence of the timely filing and pursuing of a case of unlawful detainer against the tenant.

11.18.7 Rebate of Abated Amounts

If an abated owner has corrected deficiencies prior to a re-inspection, the owner may, upon petition to HACLA, receive a rebate on abated amounts retroactive to the date that the owner can conclusively prove that all HQS deficiencies had been corrected.

11.18.8 Project and Sponsor-based Units - Responsibility of Owner

Notwithstanding any other provisions of Section 11.18, *Annual and Special Inspections*, in project-based assisted housing programs other than the project-based voucher program but including the project-based and sponsor-based components of the Continuum of Care (CoC) program, the owner (or Contractor in the Continuum of Care program) is **solely** responsible for correcting all deficiencies in the unit. Failure of the owner (or Contractor in the CoC program) to correct HQS deficiencies in the manner and time prescribed by HACLA results in abatement of the subsidy for the assisted unit.

[See also Section 11.21, *Termination of Contract (or Subsidy) for HQS Violations*, of this Administrative Plan.]

For the Project-based Voucher (PBV) program see Section 17.26, *Family Responsibility for HQS in the PBV Program*, and Section 17.28.2, *HQS Deficiency Caused by the Family*, of this Administrative Plan.]

11.19 Changes in Rent to Owner

In project-based programs, rents are adjusted in accordance with applicable HUD regulations or published directives. For the Project-Based Voucher Program see Section 17.41 through Section 17.43 of this Administrative Plan.

In the tenant-based program, an owner must notify HACLA at least 60 days in advance of any proposed rent increase (or a shorter period if specified in the HUD required tenancy addendum). In addition to meeting HUD requirements, any increase in the rent to owner must also meet the requirements of the City of Los Angeles Rent Stabilization Ordinance (hereafter called “RSO”) No. 152,120 as amended, or any succeeding or superseding local or State mandated rent control law or ordinance. If the rent increase is approved after regulatory provisions are met, the Housing Authority will complete an interim reexamination.

In the tenant-based program, the rent must always be reasonable as determined by HACLA. HACLA may use a previously established reasonable rent for the unit so long as the rent reasonableness test was performed not more than six months prior to the effective date of the owner’s proposed increase.

[See also Section 11.7, *Method for Determining Rent Reasonableness*, of this Administrative Plan.]

11.19.1 City RSO – Special Class Rent Increases

NOTE: In accordance with Resolution 8186 approved by HACLA Board of Commissioners on March 26, 2004, this section 11.19.1 (originally titled 11.15.1, City RSO - Special Class Rent Increases), has been suspended indefinitely until such time as the President and CEO determines that budget requirements can be met. See Appendix 5, Board of Commissioners Actions, of this Administrative Plan.

In an action of the Los Angeles Rent Adjustment Commission (LARAC) on May 16, 2002, the LARAC established a special class of rental units for which HACLA is allowed to set the maximum adjusted rent for the units subject to the following:

1. The rental unit and landlord are subject to a Housing Assistance Payment Contract with or administered by HACLA;

2. The gross rent (contract rent plus utilities) is below HACLA's Voucher Payment Standard or HUD's Fair Market Rent, whichever is applicable, and cannot be brought up to the applicable Payment Standard or Fair Market Rent through the RSO's automatic adjustment system [RSO Section 151.06 D.];
3. The contract rent (rent to owner) will not exceed comparable rents in the area.

In administering these special class provisions HACLA may allow an owner in the tenant-based voucher program to receive annually at his request and subject to rent comparability, either:

- The RSO's automatic annual adjustment (with an additional one percent if the owner includes all the gas utilities in the rent, and/or an additional one percent if the owner includes all the electric utilities in the rent), or
- If the standard RSO increase will result in a gross rent LOWER than the current payment standard in effect at the time of the proposed rent increase, a gross rent not to exceed the current payment standard for the unit.

The "current payment standard" means:

- The payment standard used at the last ANNUAL reexamination of the family; or
- If an annual reexamination or a re-contracting event is pending and the rent increase will occur on or after its effective date, the payment standard that will be used for that pending annual reexamination or new HAP Contract for the unit.

HACLA does not change payment standards except in conjunction with an annual reexamination of income or a re-contracting event for the same or a different unit.

11.19.2 City RSO – Increase for Additional Family Members

The landlord may increase the rent to owner in accordance with the RSO when an additional person is added to the family (other than the first minor dependent child - with multiple births counted as one child).

The landlord must provide a 60-day written notice to the family and to HACLA. The rent to owner may be increased by an amount not to exceed 10 percent for each additional person so long as the new rent to owner does not exceed the comparable rent for the unit.

This new rent to the owner becomes the adjusted base rent for determining any future rent increases allowed under the RSO. The application of this rent increase does not prevent the landlord from taking his regular annual RSO increase so long as one year has passed since the last regular RSO increase.

If the additional person moves from the unit after the 10 percent increase has been taken, the rent to owner must be returned to its prior (base rent) amount. If the

owner has raised the rent subsequent to receiving the 10 percent increase, the rent to owner is reduced by the amount of the 10 percent increase originally taken multiplied by any subsequent automatic annual percentage increases taken.

11.19.3 City RSO – Capital Improvement and Rehabilitation Rent Surcharges

If the Housing + Community Investment Department (HCIDLA, formerly LAHD) approves a Capital Improvement or Rehabilitation Rent Surcharge for the unit, the landlord must provide HACLA with a copy of the HCIDLA notice that indicates the amount of the approved surcharge and the duration of the surcharge (usually five to six years). The landlord must provide a 60-day written notice to the family and to HACLA of the rent increase.

If comparable rents support the rent surcharge, the rent to owner is increased in accordance with the HCIDLA determination. The application of the surcharge does not prevent the landlord from taking his regular annual RSO increase so long as one year has passed since the last regular RSO increase.

During the surcharge period, the landlord may annually increase his rent to the tenant in accordance with the RSO automatic annual adjustment procedure [RSO Section 151.06 D].

In calculating annual adjustments, the amount of the surcharge is deducted from the rent to owner to get the adjusted base rent of the unit. The RSO percentage increase is applied only to the adjusted base rent. The surcharge is then added back to get the new rent to owner.

The adjusted base rent plus the surcharge must never exceed the comparable rent for the unit.

If comparable rents will not support application of the full rent surcharge approved by the HCIDLA, HACLA consults with the LAHD to determine how the landlord may be appropriately compensated.

When the rent surcharge period expires, the rent to owner must be reduced by the amount of the surcharge.

11.19.4 City RSO - Primary Renovation Program

Under the Primary Renovation Program the landlord submits an application for a building permit and a Tenant Habitability Plan to Housing + Community Investment Department for approval. The Plan may provide for renovation to occur with the tenant remaining in the unit or may provide for temporary relocation of tenants to “habitable replacement housing” in accordance with the City RSO’s Primary Renovation Program and Tenant Habitability Program.

The family or owner must provide HACLA with a copy of the “Notice of Primary Renovation Work” and the “Tenant Habitability Plan.” The Housing Assistance Payment (HAP) to the owner is abated for any period the family is required to be temporarily relocated away from the unit. The HAP can be resumed only after the unit passes an HQS inspection following completion of the renovation.

In accordance with the provisions of the Primary Renovation Program, once renovation has been completed, the Rent Adjustment Commission (RAC) may authorize a permanent increase of the rent to the landlord. The landlord must give the required notice to the family and HACLA. HACLA must conduct a rent reasonableness test for the proposed rent as provided in Section 11.7, *Method for Determining Rent Reasonableness*, of this Administrative Plan. If the comparable rent will not support the RAC’s approved increase, HACLA will consult with the HCIDLA to determine how the landlord may be appropriately compensated.

For treatment of relocation payments and other reimbursements made by the landlord to the assisted family, see Section 7.8.5, *Relocation Assistance Payments*, of this Administrative Plan.

11.19.5 City RSO – Just and Reasonable Rent

After a public hearing, a Housing + Community Investment Department (HCIDLA, formerly LAHD) hearing officer can authorize a “just and reasonable” rent increase in situations in which the landlord has incurred increased operating expenses. The rent increase will exceed the rent increases normally allowed under the Rent Stabilization Ordinance (RSO). Such rent increases are permanent increases and become the base rent against which future rent increases are calculated unless the HCIDLA or the hearing officer provides instructions to the contrary.

Provided that the resulting rent to owner is determined to be a reasonable rent, upon presentation of a copy of the HCIDLA hearing officer’s decision, HACLA will increase the rent to owner to the value established by the HCIDLA hearing officer as a “just and reasonable rent.”

Under no circumstances may the rent to owner exceed the reasonable rent as determined by HACLA. If the rent allowed by the HCIDLA results in a rent that is not reasonable, HACLA consults with the HCIDLA to determine how the landlord may be appropriately compensated.

If, as a result of the increase in rent to owner, the family portion of rent will change, the family must be given a 30-day notice of the increase in the family share, if the family’s portion of the rent will increase by ten percent or less. If the family portion of the rent will increase by more than ten percent, the family must be given a 60-day notice of the increase in the family’s share.

11.20 Change in the Services or Utilities Required Under the Lease

In tenant-based programs, a change in the lease requirements governing tenant or owner responsibilities for utilities or appliances requires PHA approval of a new tenancy and the execution of a new HAP contract. There may also be changes in other amenities that do not affect HACLA utility allowances provided to the family but which might nevertheless affect the rent allowable to the owner.

11.20.1 HCIDLA Notification of a Requirement to Decrease the Rent

If the Housing + Community Investment Department (HCIDLA, formerly LAHD) notifies HACLA that an owner has not abided by the terms of the lease and is providing fewer amenities than required, HACLA must abide by any HCIDLA decision to reduce the rent to the owner. If the amenity is not covered by a utility allowance, HACLA lowers the rent to the owner and advises the family of the decrease in the rent to owner.

If the HCIDLA requires retroactivity, HACLA debits the owner retroactively. The family does not receive any reimbursement unless the gross rent for the unit exceeded the payment standard prior to the reduction in rent.

If the amenity is covered by a utility allowance, in addition to the above actions, HACLA shall correct the family's utility allowance. HACLA does not provide a retroactive credit to the family unless the family notified HACLA of a change in utilities prior to the HCIDLA notification.

The landlord and the family must enter into a new lease setting forth the revised responsibility for utilities. HACLA must inspect the unit, revise the amenities in the third party vendor system and verify that the rent authorized by the HCIDLA is a reasonable rent. The HAP contract is revised to reflect the lower rent required by the HCIDLA. The owner is not allowed to increase the rent above the amount determined by the HCIDLA.

11.20.2 Owner Request to Revise the Utility Responsibilities

If, after the initial one-year term of the lease, the owner advises HACLA that s/he wishes to change the responsibility for utilities provided for in the lease, the owner must provide a revised lease for review by HACLA and approval of the family.

For any change in utility responsibilities, HACLA must re-inspect the unit, adjust the amenities in the third party vendor system, and perform a rent reasonableness test. The family and owner must sign a new lease and the owner and HACLA must execute a new HAP contract. If covered by the Rent Stabilization Ordinance (RSO), because the family continues its residency in the unit, the rent for the unit must not be increased more than the annual percentage authorized by the RSO under the revised lease conditions.

11.20.3 Other Discrepancies

Regardless of a unit's status under the Rent Stabilization Ordinance, if HACLA determines that an owner has not been providing the utilities or appliances specified in the lease, HACLA may unilaterally take action to reduce the rent to owner by the amount of the utility allowance normally afforded to the family for the utilities or appliances specified in the lease retroactive to the date that the utilities or appliances became the responsibility of the tenant.

The landlord and the family must enter into a new lease setting forth the revised responsibility for utilities. HACLA must inspect the unit, revise the amenities in the third party vendor system and verify that the lowered rent to the owner (original rent minus the corrected utility allowances) is a reasonable rent before signing a revised HAP contract with the owner.

11.21 Termination of Contract (or Subsidy) for HQS Violations

11.21.1 Tenant-based Programs

If the housing assistance payments are abated because an Inspector fails to gain entry to the assisted unit at a scheduled re-inspection or because the unit fails re-inspection due to HQS deficiencies judged to be the owner's responsibility, and the deficiencies are not life threatening, Inspection Office staff will retain a copy of the inspection documents for 30 days to allow the owner time to correct the deficiencies and request another re-inspection. If the owner does not request a re-inspection within 30 days, Inspection Office staff shall forward the inspection paperwork to the Section 8 Advisor and request termination of the HAP contract.

Upon receipt of the request, the Advisor shall notify the family and the owner in writing of HACLA's intent to terminate the HAP contract 180 days after the date of the notice.

The family is advised to contact the Advisor within 30 days of the date of the notice to request a voucher. If the family fails to request a voucher within 30 days, HACLA begins action to terminate the family's participation.

If the unit has not passed inspection by the proposed termination date, the HAP contract is terminated. If the family remains in the unit after the termination date, the family is responsible for the full amount of rent to the owner.

11.21.2 Project-based and Sponsor-based Programs

If the owner does not correct all HQS deficiencies within the time frame prescribed by HACLA and the unit has been abated for more than 60 days, HACLA may require the owner (or Contractor in the CoC program) to transfer the participant to an appropriate unit within the project that meets the HQS. HACLA terminates the

subsidy for the vacated unit and may take other action as allowed by the HAP Contract. If the owner or Contractor has no unit available, HACLA may terminate the subsidy and take other action as allowed under the HAP Contract. HACLA will safeguard the rights of the participant for continued assistance in accordance with HUD program regulations.

For specific requirements in the Project-based Voucher program (PBV) see Section 17.28, Abatements and *Terminations - PBV Contracts*.

11.22 HACLA Termination of Contract or Subsidy for Reasons Other than Owner HQS Violation

HACLA terminates a contract or subsidy by giving advance notice to the owner and to the family. Unless the terms of the contract or HUD regulations specify otherwise, HACLA provides at least 30 (thirty) days advance notice to both the owner and the family. However, if a family's participation is to be terminated due to action or inaction by the family which occurred in a prior tenancy, HACLA provides at least a 60 (sixty) day notice of termination to the current owner.

Insofar as allowed by regulations HACLA terminates HAP Contracts, assisted housing subsidies (HAP), and tenant participation simultaneously at the end of a month.

11.23 Payment at Vacate

For all vacates in the tenant-based programs including the tenant-based components of the Continuum of Care and HOPWA programs, HACLA pays the landlord the Housing Assistance or Rental Assistance Payment through the end of the month in which the family vacates the unit. [See the subsections below for special circumstances.]

To address financial shortfalls and reduce costs in the Section 8 program, HACLA may pay the landlord through the date in which the family vacates the unit taking into account a reasonable timeframe, not to exceed seven days, to allow the family to vacate the unit.

11.23.1 Owner Evictions and Assistance Payments

If an owner has obtained a court judgment allowing eviction of the tenant, HACLA will continue to make housing assistance (or rental assistance) payments to the owner through the end of the month in which the owner is placed in possession of the unit, the family vacates the unit, or HACLA terminates the contract or the subsidy for the unit, whichever is earlier. For tenant-based assistance the HAP Contract with the owner also terminates as of that date.

Notwithstanding the above, no housing assistance or rental assistance payment will be made to an owner if the unit has been abated due to failure of the owner to

correct HQS deficiencies which are the owner's responsibility. [In project-based assistance and in the project-based and sponsor-based components of the CoC program, correction of all HQS deficiencies is the owner's (or Contractor's) responsibility.] The owner (or Contractor) may, however, apply for a rebate of abated payments in accordance with Section 11.18.6, *Tenant Prevention of Owner's Work to Correct Deficiencies*, above, if the family prevented the owner from correcting HQS deficiencies.

11.23.2 Project/Sponsor-based Contracts and Vacancy Loss

If a project-based or sponsor-based contract has provisions for payment due to vacancy loss, HACLA may at its sole discretion pay the owner through the end of the move-out month. Any such payment for days the unit was vacant is made in lieu of separate processing of a vacancy loss claim for the month in which the vacancy occurred.

If the same unit is re-rented prior to the end of the month in which the move-out occurred, the project owner or sponsor must reimburse HACLA for any overpayment. HACLA may debit the owner, sponsor or contractor automatically without notice in its next housing or rental assistance payment.

The owner, sponsor or contractor must apply for any vacancy loss for the month following the vacate month (if allowed under the contract) separately in writing.

For vacancy loss provisions in the Project-based Voucher program, see Section 17.42, *Vacancy Payment*, of this Administrative Plan.

11.24 Approval for Police or Other Security Personnel to Live in an Assisted Project

HACLA requires an owner to submit a written application for approval to lease an available unit in a Section 8 project to police or security personnel who would not otherwise be eligible for Section 8 assistance. HACLA will determine what information other than that required by 24 CFR Part 5 will be required in the application.

The terms and conditions of the lease for the police or other security personnel must be approved by HACLA and shall indicate that the lease shall terminate or be terminated and any housing subsidy shall end if the lessee fails to satisfactorily perform any agreed responsibilities and functions for project security.

HACLA may consider whether the security services to be performed are an adequate return for housing assistance payments on the unit, or whether the cost of security services should be borne by the owner from other project income.

Approval of the use of a project-based unit for police or other security personnel may be withdrawn and any subsidy discontinued upon not less than 60 days written notice

to the owner.

11.25 Lease Signature by Owner

All leases must be signed by the owner or signed by a real person with the authority to sign as agent for the owner.

HACLA may accept digital signatures defined as an electronic identifier, created by computer, intended by the party using it to have the same force and effect as the use of a manual signature in accordance with California law. For a digital signature to be valid for use by HACLA, it must be created by a technology that is acceptable for use by the State of California. For verification purposes, HACLA may require the Owner and Tenant to initial the lease prior to HAP contract execution.

HACLA may accept a lease that is returned by the owner directly to HACLA via fax or electronic delivery.

11.26 Contract Signature by Owner

All contracts must be signed by the owner or signed by a real person with the authority to sign as agent for the owner.

HACLA may accept digital signatures defined as an electronic identifier, created by computer, intended by the party using it to have the same force and effect as the use of a manual signature in accordance with California law. For a digital signature to be valid for use by HACLA, it must be created by a technology that is acceptable for use by the State of California. For verification purposes, HACLA may require the Owner and Tenant to initial the lease prior to HAP contract execution.

HACLA may accept a contract that is returned by the owner directly to HACLA via fax or electronic delivery.

11.26.1 Corporate Ownership

In the case of corporations, for each HAP Contract or Contract Modification, HACLA requires the real signature of two separate corporate officers, one officer from each of the following two categories:

1. The board chairman or president or any vice president, AND
2. The secretary or any assistant secretary or the chief financial officer or any assistant treasurer.

If one natural person occupies a corporate position in each of the two categories, that single person may sign the contract twice, once for each corporate officer position. Each position held by the signatory must be clearly identified on the HAP Contract or Contract Modification. All signatories must provide proof to HACLA that they currently hold the office(s) described in the HAP Contract or Contract Modification.

11.26.2 Ownership by a Limited Partnership

Contracts and Contract Modifications must be signed by a verified General Partner of the Limited Partnership.

11.26.3 Ownership by a Limited Liability Company (LLC)

Contracts and Contract Modifications must be signed by the authorized Manager or Managing Member of the LLC as identified in the LLC Statement of Information or in the Operating Agreement if a Statement of Information is not yet available.

Chapter 12 CONTINUING PARTICIPATION

12.1 Maintaining the HAP Contract

After the contract has been executed, the participant's file is referred to the appropriate office and Advisor. The Advisor has the primary responsibility for maintaining the participant's file in accordance with all program rules and requirements.

Advisors and the Service Delivery Offices are responsible for maintaining and updating the databases containing information on the participant and unit. The Section 8 Director shall assign clerical and other staff including Advisors, Assistant Managers and Managers, protected access to selected portions of the business system's database dependent on their job responsibilities. Such access shall be sufficient to enable staff to make modifications and correct errors as required for individual programs without compromising the integrity of the database.

Assistant Managers are responsible for insuring that:

- Support, direction and oversight are provided to the Advisor,
- All files and data are properly maintained,
- All required procedures are properly performed in a timely manner, and
- Appropriate quality control is performed and required corrections are made in a timely manner.

If a problem arises that is beyond the Advisor's scope, the Advisor may refer the problem up HACLA chain of command. If the problem is outside HACLA's purview, the Advisor may refer the tenant or owner to appropriate service agencies within the community. HACLA Advisor may also refer participants to the Los Angeles County INFO LINE to assist the participant in locating community services.

12.2 Limitations on Moving

For the tenant-based programs, whether the participant is residing in the jurisdiction of HACLA or has exercised portability, the following limitations apply:

12.2.1 Move at the Family's Request

In the initial year of occupancy under an assisted lease a participant family shall not be allowed to move at the family's request.

Grounds for denial after the first year of occupancy include, but are not limited to:

1. The family was issued a voucher to move within the last 12 month period. A move at the family's request and voucher issuance may not occur more than once in any 12 month period after the expiration date of the last voucher issued.
2. The family's assistance is being terminated for program non-compliance with S8 Family Obligations.

3. The family was scheduled for an informal hearing. A voucher to move can only be issued if the hearing decision reverses the termination.
4. The family did not comply with a repayment agreement to pay amounts owe to the Housing Authority. [See also Section 12.6.4, Restrictions on Moving When the Family Owes HACLA, of this Administrative Plan]
5. The family failed to repair deficiencies noted at the last inspection.

A voucher to move is not denied simply because an owner indicates an intent to evict with a three day notice or an unlawful detainer. [See also Section 13.8.1.1, Adverse Judgments, of this Administrative Plan]

12.2.2 Exceptions to Limitations on Moving

Exceptions to the policy regarding moves at the family's request may be made if:

1. The unit has been abated for more than 30 days;
2. An HQS breach not caused by the family is determined to be life-threatening;
3. The owner and tenant mutually agree to the termination in writing and the owner in writing waives all claims against HACLA;
4. The move is required as a reasonable accommodation for a person with a disability under the requirements of the Fair Housing Act of 1988 or Section 504 of the Rehabilitation act of 1973.
5. The move is required to protect a victim of domestic violence, dating violence, or stalking. (See also Section 6.19.5, Certification of Domestic Violence)

[See also Section 13.8.1.2, *Reasonable Accommodation and Moves During the First Year of the Lease*, of this Administrative Plan for additional family requirements. See HACLA Manual of Policy and Procedure Chapter 125:1, *Nondiscrimination on the Basis of Disability and Reasonable Accommodation Policy and Procedures*, Appendix 3 of this Administrative Plan, for additional information on reasonable accommodation.]

12.2.3 Restrictions on Moving due to Lack of Funding

If the participant family request to move to a higher cost unit within HACLA's jurisdiction or to a higher cost area and it appears that funding will be insufficient to support such request to move, HACLA will deny the request. The participant family will receive a denial letter.

HACLA may resume processing requests to move when it determines that sufficient funding will be available. In order to be eligible to move, the family must meet all applicable program eligibility requirements including the requirements of Chapter 13 of this Administrative Plan.

12.3 Reexaminations of Income

HACLA employs a system of annual, special and interim reexaminations of income,

assets and family composition. An annual reexamination of income and family composition is required at least every 12 months and prior to any new tenant-based contract. At each reexamination HACLA insures that HUD verification, disclosure and reporting requirements are met.

In addition to HUD requirements, family members who are 18 years or older are required to sign the most recent edition of the “*Section 8 Family Obligations*” notice.

HACLA does not reexamine income or change the tenant portion of rent or the family share except in accordance with the provisions of this section and its subsections. The family’s report of any income change does not result in a reexamination of income, change in the family portion of rent or change in the family share unless required or authorized by this section and its subsections.

Nothing in this Chapter 12 shall in any way prevent HACLA from conducting an examination of family income and composition at any time if HACLA has reason to believe that information provided by the family was false, fraudulent, misleading or erroneous or if otherwise required by HUD.

12.3.1 Annual Reexaminations (Review) of Income

Managers insure that annual reexaminations of Section 8 participants and other assisted housing participants are conducted at least once a year in such a way as to allow a change in the tenant rent to become effective on the reexamination date of the HAP Contract.

The Section 8 Director shall determine whether annual reexaminations are to be conducted through the mail or by in-office interview and will advise staff in writing of such requirements.

- **Reexamination Date for Tenancies Entered into on December 2, 1997 and Later:**

For tenant-based and project-based tenancies with start dates effective December 2, 1997 and later, the first of the month in which the assisted lease started.

- **Reexamination Date for Tenancies Entered into on December 1, 1997 and Earlier:**

1. For tenant-based tenancies which started December 1, 1997 and earlier, the first of the month following the expiration of the initial term of the current HAP Contract for the unit.
2. For project-based tenancies which started December 1, 1997 and earlier, the first of the month following the expiration of the initial term of the assisted lease.

HACLA reserves the right to revise the reexamination dates contained in this section in connection with, or as a result of, migration of data to a new business system. Notification of such revision shall be accomplished by means of an interoffice memo to Section 8 staff.

12.3.1.1 Review Notice / Review Appointment Notice

A review notice or review appointment notice is mailed to the participant family requiring the family to provide information, verifications and signatures on required documents by a specified date.

12.3.1.2 Family's Failure to Comply

If a family does not fully comply with HACLA and HUD requirements within the deadline specified in the Review Notice or Review Appointment Notice, a *Second and Final Notice of Review* is sent providing for a final deadline which is 14 days from the date of the second notice.

If the family fails to comply with the *Second and Final Notice of Review*, the family may be terminated from the assisted housing program. The termination is preceded by a *Notice of Intended Action and Right to a Hearing* which advises the family of its right to an informal hearing.

See also Section 13.1, *Discretion to Consider Circumstances*, of this Administrative Plan.

12.3.1.3 Effective Date of the Change in Tenant Rent

Changes to the tenant rent which are made in conjunction with an annual reexamination are effective on the reexamination date. However, the tenant must receive 30 days advance notice of any increase in the tenant rent.

If the implementation of an **increase** in the tenant rent (or a decrease in the Utility Assistance Payment) is delayed beyond the reexamination date and the delay is due to the family, the family is required to repay HACLA for any excess rent (HAP) paid to the owner or any excess Utility Assistance Payment paid to the tenant. If the delay was not due to the family, the family is not charged retroactively.

If the implementation of a **decrease** in the tenant rent (or an increase in the Utility Assistance Payment) is delayed beyond the reexamination date and the delay is due to the family, no retroactive credit is given to the family. If the delay is not due to the family, the family will receive retroactive credit in the form of a check payable to the family head.

See Section 12.3.1, *Annual Reexaminations (Review) of Income*, for

information on reexamination dates.

12.3.1.4 Annual Reexamination of Income for Fixed Income Participant Families

For HCV and PBV participant families where all family members have a fixed source of income, the Housing Authority will use a streamlined reexamination by applying a verified cost of living adjustment (COLA) or current rate of interest to previously verified fixed income amount. The COLA or current interest rate applicable to each source of fixed income must be obtained either from a public source or from tenant-provided, third-party generated documentation. This provision will be implemented with annual reexaminations effective January 1, 2017.

For participant families whose income is calculated using a streamlined income determination, the Housing Authority must obtain third-party verification of all income amounts at least every three years.

12.3.2 Special Reexaminations

A special reexamination (review) may be conducted by HACLA to re-determine income and family composition after the completion of an admission, or after completion of an annual or previously scheduled special reexamination. A special reexamination may be scheduled and conducted at no less than 30 day intervals. Special reexaminations are made for the following reasons:

12.3.2.1 Special to Correct an Error

If an error is detected subsequent to contracting or to any reexamination, a special reexamination is conducted to correct the error.

12.3.2.1.a Error Caused by the Family

If correction of the error results in a decrease in HAP or a decrease in the Utilities Assistance Payment (UAP) and the error was caused by the family through misunderstanding of policy or through withholding information, the family shall be charged retroactively to the date the HAP or UAP was incorrectly established. If the error was caused by willful misrepresentation or falsification, the family may be terminated from the program.

If correction of the error results in a benefit to the family and the error was not due to willful misrepresentation or falsification, the family will receive retroactive credit in the form of a check payable to the family head.

12.3.2.1.b Error Not Caused by the Family

If correction of the error results in a benefit to the family, the family will

receive retroactive credit back to the date the HAP or UAP was incorrectly established.

If correction of the error results in an increase in the tenant rent or a decrease in the UAP, the change will not take effect until the first day of the second month following the month in which the family receives notice of the change.

12.3.2.2 Special Due to Unstable Income

A special reexamination is scheduled if, at the time of admission or at the time of an annual or special reexamination, it is not possible to estimate the family's annual income with reasonable accuracy.

A special reexamination due to unstable income is made effective as follows:

For increases in tenant rent or decreases in UAP the change is effective the first day of the second month following the month in which the reexamination was scheduled.

For decreases in tenant rent or increases in UAP the change is effective on the first of the month following the month in which the reexamination was scheduled.

12.3.2.3 Special Due to Change in Family Composition

A special reexamination is conducted at any time an adult member is added to the family household.

A special reexamination is not required if the only change to the household composition is the addition of a live-in-aide.

A special reexamination due to a change in family composition is made effective as follows:

12.3.2.3.a Increase in Tenant Rent

The family must receive 30 days advance notice of any increase in the tenant rent.

For increases in tenant rent or decreases in UAP, the change is effective the first day of the second month following the month in which the change occurred.

If the implementation of an **increase** in the tenant rent (or a decrease in the UAP) is delayed beyond this date and the delay is due to the family (for example, if the family fails to report the change in a timely manner), the

family is required to repay HACLA for any excess rent (HAP) paid to the owner or any excess UAP paid to the tenant. If the delay was not due to the family, the family is not charged retroactively.

12.3.2.3.b Decrease in Tenant Rent

For decreases in tenant rent or increases in UAP, the change is effective on the first of the month following the month in which the change occurred or in which the change was reported, whichever is later.

If the implementation of a **decrease** in the tenant rent (or an increase in the UAP) is delayed beyond this date and the delay is due to the family, no retroactive credit is given to the family. If the delay is not due to the family, the family will receive retroactive credit in the form of a check payable to the family head.

12.3.2.3.c Change in Family Unit Size

The family unit size (voucher bedroom size) is changed at the family's **first annual** reexamination following the change in family size in compliance with Section 10.9, *Changing the Voucher Payment Standard, D. Change in Family Size or Composition*.

12.3.2.4 Special for FSS Contract of Participation

In accordance with HUD instructions for completion of the FSS Contract of Participation (CoP), HACLA performs a special reexamination to verify all income, assets, exclusions and deductions of all members of the potential FSS family if:

1. The effective date of the CoP will be more than 120 days after the effective date of the last reexamination of income of any kind, and
2. There is no pending annual, special or interim reexamination recorded in the computer.

If an annual, special or interim reexamination is pending and the verifications for that reexamination will be less than 120 days old on the effective date of the CoP, that information may be used for the CoP.

If a special reexamination is required, HACLA must complete a rent and family share adjustment to be effective not later than the effective date of the CoP and HACLA must use the results of that special reexamination to determine the family's "baseline income data" and FSS escrow account information.

The special reexamination may be conducted and made effective retroactively to coincide with the start of the CoP, but any increase or decrease in the family share or rent is handled in accordance with Section 12.3.2.1.b, *Error Not Caused by the Family*, of this Administrative Plan.

12.3.3 Interim Reexaminations

An interim reexamination is a reexamination conducted when there is a change in rent to owner (See Section 11.19, *Changes in Rent to Owner, of this Administrative Plan for applicable provisions*) or at the request of a participant family when the family reports a change in circumstances which it feels could result in a decrease in the Total Tenant Payment (TTP). The family must provide documentation needed to verify program eligibility within thirty (30) days of HACLA request date.

Changes in family composition include, but are not limited to, a person staying in the unit for more than thirty (30) consecutive days. A person must not be added to the family composition without the written approval of the landlord and HACLA.

A family is eligible for a decrease in tenant rent or an increase in the Utility Assistance Payment (UAP) only if the change in circumstances will result in a decrease in the TTP. Except as provided in Section 12.3.3.2 below, no change in tenant rent or UAP is made if the TTP does not decrease.

If the family reports a change in family composition or in the citizenship or immigration status of its approved members and imposition of a new or revised HAP proration required by those changes would increase rather than decrease the family share, the family share and rent is not changed and the family's request for an interim reduction in rent is denied even though the TTP may have decreased.

In such cases the family is notified in writing that the HAP will be prorated to reflect the family's new circumstances at the next annual reexamination of income or the next re-contracting event, whichever is earlier, and of the expected change in family rent to owner due to the pending change in proration.

12.3.3.1 Verification Requirements

For all interim reexaminations of income HACLA verifies the changes reported income, assets, exclusions and deductions of all members of the family at the time of the reexamination. No verification may be more than 120 days old at the effective date of the interim reexamination. For third party written verification, as defined by Section 7.2.3 of this Administrative Plan, the documents should be dated within the 60 day period preceding the reexamination or HACLA request date.

For interim reexaminations requested by the participant family to report changes in income, assets, exclusions and deductions of any member of the assisted family, including but not limited to statutory changes in annual income that occurred for all recipients of AFDC, SSI, General Relief, Social Security, or other similar benefit, a special interim reexamination will be conducted at the request of a participant family. HACLA is required to review the EIV income report and only the income source(s) which has(have) changed must be

verified. Staff must follow the hierarchy and methods of verification under Section 7.2 of this Administrative Plan.

12.3.3.2 Reporting Requirements Following a Reduction in TTP

Once a family has had a reduction in TTP due to an interim reexamination, the family must report all increases in income to HACLA within thirty (30) days of the change until the time of the next regularly scheduled annual reexamination. Each report will result in another interim reexamination to determine whether the TTP should be revised upward or downward.

12.3.3.3 Effective Dates of Changes for Interim Reexaminations

A decrease in tenant rent or an increase in the UAP is made effective on the first of the month following the month in which the change occurred or in which the family provided documentation requested by HACLA, whichever is later.

An increase in tenant rent or a decrease in the UAP is made effective on the first day of the second month following the month in which the change occurred.

12.3.3.4 Failure to Report Changes in Income

Once the family has received the benefit of a reduction in TTP due to an interim review, the family's failure to report increases in family income within thirty (30) days of the change will result in a retroactive charge to the family to the extent that HACLA overpaid any HAP or UAP amounts. The charges will be retroactive to the date any reduction in HAP or UAP should have been effective.

12.4 Earned Income Disallowance (EID) before January 1, 2017

HACLA provides an Earned Income Disallowance (EID) for eligible persons in eligible programs in accordance with HUD regulations and guidance. For families receiving EID benefits before January 1, 2017 the provisions of this section and its subsections apply.

12.4.1 Changes in Income While Eligible for the EID

Once the 48-month clock has started for the EID eligible person, HACLA does not perform any additional reexaminations of income except as it normally would under the provisions of Section 12.3, *Reexaminations of Income*.

12.4.2 Administration of the EID Clocks

When a 12-month clock for the 100% or 50% disallowance or the lifetime 48-month clock expires, HACLA changes or terminates the disallowance administratively.

HACLA staff ensure that the family receives at least 30 days advance notice of any increase in the family share due to any change in the disallowance percentage or termination of the EID.

Income verification is not required for this administrative action unless it will take effect in conjunction with a reexamination required or authorized by Section 12.3, *Reexaminations of Income*, above.

12.4.3 Start and Expiration Dates of the EID Clocks

EID clocks will be started only on the first of the month and stopped only at the end of a month in accordance with the following:

EVENT	START of CLOCKS
Annual Reexam: Report of new or increased earnings of an eligible person in an eligible family.	48-month and 12-month clocks start on the first of the month following the start of new/increased earnings and can start retroactively.
End of Full-Time Student Status; End of Job Training Status; End of FSS Participation.	If eligible for EID, 48-month and 12-month clocks start on the first of the month after the status ended (as if a special reexamination had been scheduled to be effective on that date).
EVENT	EXPIRATION or STOP of CLOCKS
Earnings or increase in earnings end.	100% or 50% clocks are stopped at the end of the month in which earnings or the increase ended.
Vacated Unit – New HAP Contract starts within 30 days (Includes HAP contracts with retroactive start dates).	All active clocks continue unabated unless HACLA does not enter into a new HAP contract for the family with a start date within 30 calendar days of the vacate date.
Vacated Unit – No new HAP Contract effective for the family 30 calendar days after the vacate.	Any 100% or 50% clock is stopped at the end of the month in which the vacate occurred. The 48-month clock continues unabated. The 100% or 50% clock resumes on the first of the month in which the new contract begins.
Family is terminated for cause from an EID eligible program.	Any 100% or 50% clock is stopped at the end of the month in which the termination occurred, but the 48-month clock continues unabated.

HOPWA to HCVP conversion	START & END of CLOCKS
HOPWA family is converted to regular Section 8 with no or less than 30	All active clocks continue unabated and EID is transferred to the HCVP.

calendar days interruption of subsidy.	
HOPWA family is converted to regular Section 8 (HCVP) with an interruption of subsidy that exceeds 30 calendar days.	The 48-month clock continues unabated. Any 100% or 50% clock is stopped at the end of the month in which the vacate occurred and resumes on the first of the month immediately following the start of the HCVP Contract.

12.5 Earned Income Disallowance (EID) After January 1, 2017

For families eligible to receive EID benefits after January 1, 2017, the following provisions apply.

Once a family member is determined to be eligible for the EID, the 24–calendar month period starts:

- If the family member discontinues the employment that initially qualified the family for the EID, the 24–calendar month period continues;
- During the 24–calendar month period, EID benefits are recalculated based on changes to family member income and employment;
- During the first 12–calendar month period, the Housing Authority must exclude all increased income resulting from the qualifying employment of the family member. After the first 12–calendar month period, the Housing Authority must exclude from annual income of the family at least 50 percent of any increase in income of such family member as a result of employment over the family member’s income before the qualifying event (i.e., the family member’s baseline income);
- The EID benefit is limited to a lifetime 24-month period for the qualifying family member;

At the end of the 24 months, the EID ends regardless of how many months were “used.”

12.6 Special Program Adjustment Mandated by the State (SPAMS)

Upon determination that the State of California or other Governmental Agency will make changes to income or entitlement programs which will reduce the gross income for a large group of participants (such as reductions in TANF (CalWORKS), General Relief, or SSI benefit amounts), HACLA will on its own initiative, at the direction of the President and CEO, perform a special adjustment to the TTP for the affected group of participants. The effective date of Special Program Adjustments will be established by the President and CEO.

12.7 Family Repayment of Amounts Owed to HACLA

[For information on investigating the misreporting of income, refer to Section 13.8.7, *Fraud*, of this Administrative Plan.]

Families are required to repay HACLA for:

1. Amounts paid to an owner on behalf of the family for unpaid rent, damages to the unit and vacancy loss where such payment was contractually required;
2. Amounts overpaid to owners in Housing Assistance Payments due to the family's failure to promptly and correctly report income, assets and family composition [See Section 12.3, *Reexaminations of Income*, above.];
3. Amounts overpaid to the family in Utility Assistance Payments due to the family's failure to promptly and correctly report income, assets and family composition [See Section 12.3, *Reexaminations of Income*, above.].

HUD does not authorize any PHA-sponsored amnesty or debt forgiveness programs.

The Housing Authority is required to determine retroactive rent amount as far back as the PHA has documentation of family reported income.

The monthly retroactive rent payment plus the amount of rent the tenant pays at the time the repayment agreement is executed should be affordable and not exceed 40 percent of the family's monthly adjusted income.

12.7.1 Termination of Assistance Due to Misrepresentation of Income

HACLA may, upon written notice to the family which allows 30 days to request an informal hearing, terminate a family's participation in an assisted housing program if the family has misrepresented family income which results in an overpayment of Housing Assistance Payments on behalf of the family or an overpayment of Utility Assistance Payments.

12.7.2 Offer of a Repayment Plan

At HACLA's sole discretion, a family that owes money to HACLA may be offered a repayment plan as follows:

1. The head of household must sign a repayment agreement agreeable to HACLA.
2. The repayment agreement shall require the family to repay HACLA all monies owed within 2 years of the date of the first payment required by the repayment agreement and at a minimum rate of \$50.00 per month. HACLA, at its sole discretion, may provide for a lesser rate than \$50.00 per month only if the monthly payment will result in the amount owed being paid in full within one year of the date of the first payment required by the repayment agreement.

12.7.3 Limits on the Offer of a Repayment Plan

Repayment plans will only be offered on the following terms:

If a family owes \$5,000 or less, the family must sign a repayment agreement in accordance with the requirements of Section 12.7.2 above. Failure to sign a repayment agreement shall result in termination from the assisted housing program.

If a family owes more than \$5,000 but not more than \$10,000, the family will be provided a written notice which allows the family 30 days in which to pay down the amount owed to HACLA so that not more than a \$5,000.00 balance remains. The same notice shall require the family, within 10 days after HACLA's bank has verified receipt of the pay-down funds, to enter into a repayment agreement for the remaining balance in accordance with the requirements of Section 12.7.2 above. If HACLA's bank does not receive the pay-down funds within 45 days of the notice or if the family does not execute a repayment agreement within 10 days after the pay-down funds have been received, the family shall be terminated from the assisted housing program.

If a family owes more than \$10,000, the family shall be terminated from the assisted housing program. No amount of repayment or offer of repayment, whether partial or in full, shall prevent termination from the assisted housing program. HACLA will allow the family to enter into a repayment agreement of not less than \$50.00 per month but, in accordance with Section 13.8.10, *Family Owes Money to a Public Housing Agency*, of this Administrative Plan, no family shall be admitted or readmitted to an assisted housing program until the family has repaid HACLA the full amount of monies owed. If the family is terminated due to fraud, the family additionally incurs a ban on participation in accordance with Section 13.8.7, *Fraud*, of this Administrative Plan. Regardless of whether fraud is alleged, the family's file is referred to HACLA's Section 8 Investigations Unit for review and for possible additional legal action.

12.7.4 Restrictions on Moving When the Family Owes HACLA

For so long as the family owes HACLA money, the family shall not be provided a voucher to move except in cases in which:

- The family is being evicted due to circumstances described in Section 13.8.1, *Serious or Repeated Violation of the Lease*, which of themselves would not subject the family to termination of participation, or
- HACLA is terminating the HAP contract due to an owner's breach of the contract (including HQS violations that are the responsibility of the owner), or
- A move from the premises is required by the Violence Against Women Act or other federal, state or local law or ordinance, or for the physical safety of the family, or
- A move from the premises is required as a reasonable accommodation.

Under no circumstances will the family be allowed to exercise portability until such

time as the family has repaid HACLA for all monies owed. Any family porting to another jurisdiction while still owing money to HACLA will be terminated from participation in the Section 8 Program.

12.7.5 Failure to Make Payments

If the family fails to make prompt payment in accordance with the plan, the entire balance becomes payable in full. The family is provided a written notice advising the family that its housing assistance will be terminated unless full payment is received within 10 days of the date of the notice. If the family fails to make full payment, the family is terminated from the assisted housing program. [See also Chapter 13, *Terminations and Denials*, of this Administrative Plan.]

12.7.6 Failure to Repay HACLA - Terminations and Denial of Assistance

See Section 13.8.10, *Family Owes Money to a Public Housing Agency (PHA)*, and Section 13.3, *Refusal to Approve a Live-in Aide*, of this Administrative Plan for grounds for denial and termination of assistance.

12.7.7 Restrictions on Moving When Hearing Decision is Pending

HACLA denies a voucher to move at the family's request if the S8 participant family is being terminated from the program for non-compliance with S8 family obligations. The informal hearing procedure remains the same [See Administrative Plan Section 14.7, *Informal Hearing*]. A voucher to move must not be issued to the family until the hearing decision has been rendered. A voucher to move can only then be issued if the hearing decision reverses the termination.

For Homeless, HUD-VASH, Project-Based Voucher, Continuum of Care and Moderate Rehabilitation program participants, S8 staff must review the participant file, identify the referring agency and contact the agency to inform them about the termination proceedings.

Exceptions to the policy regarding moves at the family's request may be made if the participant family has a pending reasonable accommodation request. A voucher can be issued and be valid while the informal hearing procedure is pending. If the Hearing Officer upholds the termination, the voucher is cancelled and the family's participation in the program is terminated.

**HOUSING AUTHORITY
OF THE
CITY OF LOS ANGELES**



**SECTION 8
ADMINISTRATIVE PLAN**

Volume 2

**Chapters 13 through 19
Glossary
Appendixes**

October 2022

SECTION 8 ADMINISTRATIVE PLAN

Volume 2

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GLOSSARY

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Affirmative Action Policy, HACLA Manual of Policy & Procedure

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Chapter 13 TERMINATIONS AND DENIALS

With the exception of the HUD-VASH program, the provisions of this chapter apply to all programs. HUD-VASH program exceptions are contained in Chapter 19.

HACLA reserves the right, with HUD approval, to use criminal history records maintained by law enforcement agencies as a means of determining prior criminal action of participants in, as well as applicants to, its assisted housing programs.

HACLA may deny or terminate housing assistance to any applicant or participant for any of the grounds specified in Title 24 of the Code of Federal Regulations (24 CFR) which pertain to the applicable assisted housing program. Decisions on whether to deny assistance for an applicant family or to terminate assistance for a participant family are based on a preponderance of the evidence.

HACLA does not rely on speculation or allegation when making a decision to deny or terminate benefits in its assisted housing programs. HACLA relies on credible evidence. Credible evidence is defined as evidence that is based on verifiable facts that constitute more than mere speculation or allegation.

Preponderance of the evidence is defined as: evidence which is of greater weight or more convincing than the evidence that is offered in opposition to it, that is, evidence that when taken as a whole shows that the fact sought to be proved is more probable than not.

Protections and due process:

If the decision is to deny assistance, the family is entitled to an informal review in accordance with Section 14.6, *Informal Review – Applicants*, of this Administrative Plan.

If the decision to deny assistance is based on citizenship or immigration status, the family is entitled to an informal hearing in accordance with Section 14.7, *Informal Hearing*, of this Administrative Plan.

If the decision is to terminate assistance, the family is entitled to an informal hearing in accordance with Section 14.7, *Informal Hearing*, of this Administrative Plan.

13.1 Discretion to Consider Circumstances and Reasonable Accommodation for Persons with Disabilities

This section applies only in those cases in which HUD does not specifically require prohibition of admission or termination of assistance.

Once HACLA has determined that, in accordance with program regulations and the contents of this Administrative Plan, sufficient cause exists to terminate or deny

assistance, HACLA may (but is not required to) consider all circumstances in each case prior to reaching a decision to deny or terminate participation. HACLA may consider the seriousness of the case, the extent of participation or culpability of individual family members, mitigating circumstances related to the disability of a family member, and the effects of denial or termination on other members of the family who were not involved in the action or inaction which provides the grounds for termination or denial.

If the family includes a person with a disability, HACLA decision concerning termination or denial is subject to consideration of reasonable accommodation in accordance with 24 CFR Part 8.

For individuals and families seeking assistance on a case by case basis, HACLA will consider making exceptions from the requirements of this Chapter for persons with disabilities in accordance with the provisions of HACLA Manual of Policy and Procedures Part I, Chapter 125:1, Exhibit 125:1C dealing with Requests for Consideration of Mitigating Circumstances.

[See also Section 2.10, *Objective X: Providing Reasonable Accommodation*, of this Administrative Plan. See HACLA Manual of Policy and Procedure Chapter 125:1, *Nondiscrimination on the Basis of Disability and Reasonable Accommodation Policy and Procedures*, Appendix 3 of this Administrative Plan, for additional information on reasonable accommodation.]

13.2 Persons to Be Added to the Household

HACLA denies admission of any additional person which the family proposes to add to the household if that person is ineligible for any of the reasons set forth in this chapter.

13.3 Refusal to Approve a Live-in Aide

HACLA may refuse to approve or may withdraw its approval of a particular person as a live-in aide for the reasons indicated in 24 CFR part 982 or if the live-in aide (a member of the household) is barred from participation in assisted housing programs for any of the reasons stated (and in accordance with the time frames expressed) in this chapter. The date on which the applicant or participant requests HACLA approval of the person to become a live-in aide or the date HACLA becomes aware that the aide was debarred, whichever is later, is used to determine whether the period of debarment has elapsed.

A live-in aide is a member of the household. Since one or more disabled or elderly persons living with one or more live-in aides is considered by HUD to be a “family,” under such circumstances, solely for the purposes of determining whether HACLA will approve the live-in aide to reside in the unit, the live-in aide is also considered to be a “member of the family.”

HACLA may require a participant to terminate the services of a particular live-in aide as a condition of continued assistance or may require an applicant to terminate the services of a particular live-in aide as a prerequisite to issuing a voucher or to approving a tenancy.

Any refusal or withdrawal of approval must be in writing and must allow the applicant or participant a thirty day period in which to locate a replacement aide.

At any time HACLA can refuse to approve, or withdraw approval of, a live-in aide if:

1. The person commits fraud, bribery or any other corrupt or criminal act in connection with any federal housing program; or
2. The person commits drug-related criminal activity or violent criminal activity; or
3. The person currently owes rent or other amounts to HACLA or to another Public Housing Agency (PHA) in connection with Section 8 or public housing assistance under the 1937 Act.
4. The person fails to comply with HACLA requirements for a live-in aide including the requirements contained in Section 6.12, *Live-in Aide*, of this Administrative Plan; or
5. The person has resided in the unit without authorization by the Housing Authority.

13.4 Drug Related Criminal Activity

HUD defines drug related criminal activity to mean “the illegal manufacture, sale, distribution, or use of a drug, or the possession of a drug with intent to manufacture, sell, distribute or use the drug.” [24 CFR 5.100]

13.4.1 Drug Related Criminal Activity - Program Applicants

13.4.1.1 Prior Evictions For Drug Related Criminal Activity

HUD requires HACLA to prohibit admission of an applicant for three years from the date of eviction if any household member was evicted from federally assisted housing for drug related criminal activity (including personal use or possession of a drug).

HACLA standards are to deny admission if any member of the household was evicted from federally assisted housing for drug related criminal activity (including personal use or possession of a drug) within three years prior to the initial interview.

If the eviction was due to illegal personal use of a drug, HACLA will consider admitting the household, but only if:

1. The household member who engaged in drug use provides verifiable

documentation that he/she has successfully completed a supervised drug rehabilitation program since the time of the eviction, or

2. The circumstances leading to the eviction no longer exist (for example, the evicted household member who engaged in drug use has died or is imprisoned or is permanently hospitalized or is removed from the household composition).
3. The eviction was due solely to the individual's illegal use of a drug and not for any other drug related criminal activity.

Temporary absence from the household is not a sufficient basis for allowing the family admission to assisted housing. If the culpable household member is only temporarily absent from the household (the member is not, for example, imprisoned or permanently hospitalized) and has not completed a supervised drug rehabilitation program, HACLA must not provide assistance, even assistance with conditions on such assistance, to the family. [See Section 13.10, *Conditions on Assistance*, of this Administrative Plan for more information.]

If the culpable household member is imprisoned, HACLA may provide assistance to the family on the condition that the household member will not reside in the unit upon release from prison.

When the culpable household member has been released from prison, HACLA employs the same standards provided in this section to determine whether that person will be admitted to the household.

13.4.1.2 Illegal Use of a Drug - Applicants

HUD requires HACLA to establish standards that prohibit admission of a family if any household member is currently engaging in illegal use of a drug or if HACLA determines it has reasonable cause to believe that a household member's illegal use of a drug or pattern of illegal use may threaten the health, safety or right to peaceful enjoyment of the premises by other residents.

HACLA's standards is to deny admission to the family if any member of the household has been convicted of illegal use of a drug or of possession of an illegal drug for personal use within one year of the initial interview.

HACLA will admit such a family only if the household member who engaged in or was convicted of illegal use of a drug or of possession of an illegal drug for personal use:

1. Certifies in writing that he or she is not currently engaged in the illegal use of any drug, and
2. Either provides verifiable documentation of having successfully completed

- a supervised drug rehabilitation program since the last instance of illegal use of a drug or last conviction for illegal use or possession of an illegal drug for personal use, or
3. Provides verifiable documentation that he or she is currently an active participant in a supervised drug rehabilitation program.

[See also Section 13.4.1.1, *Prior Evictions for Drug Related Criminal Activity*, of this Administrative Plan.]

13.4.1.3 Production of Methamphetamine - Applicants

HUD requires HACLA to establish standards that prohibit admission of a family if any household member has ever been convicted of drug related criminal activity for manufacture or production of methamphetamine on the premises of federally assisted housing.

HACLA's standard is to deny assistance to the family if any household member has ever been convicted of drug related criminal activity for manufacture or production of methamphetamine regardless of the time or location of such manufacture or production.

13.4.2 Drug Related Criminal Activity – Program Participants

HUD requires standards that allow HACLA to terminate assistance for the family if any household member engages in any drug related criminal activity.

HACLA standards are to terminate assistance for the family for any eviction from assisted housing due to drug related criminal activity or any conviction of a household member for drug related criminal activity. HACLA also terminates assistance if, using a preponderance of the evidence standard, evidence demonstrates that the participant or any member of the participant's household engaged in drug related criminal activity during the time the family is currently participating in an assisted housing program regardless of whether the participant or household member is evicted or convicted for such activity.

HACLA may, at its sole discretion, provide assistance with conditions for non-culpable members of the family in accordance with Section 13.10, *Conditions on Assistance*, so long as the criminal activity did not result in eviction for serious violation of the lease.

13.4.3 Illegal Use of a Drug - Participants

HUD requires HACLA to establish standards that allow termination of assistance for the family if any household member is currently engaged in any illegal use of a drug or if a pattern of illegal use of a drug by any household member interferes with the health, safety or right to peaceful enjoyment of the premises by other residents.

HACLA standards are to terminate assistance for the family for any conviction of any household member for illegal use of a drug while the family is a participant in any assisted housing program or for any eviction from assisted housing in which illegal use of a drug or a pattern of illegal use of a drug by any household member was a contributing factor to the eviction.

HACLA may, at its sole discretion, provide assistance with conditions for non-culpable members of the family in accordance with Section 13.10, *Conditions on Assistance*, so long as the illegal use of a drug did not result in eviction for serious violation of the lease.

For participants using medical marijuana, defined by the U.S. Department of Housing and Urban Development as marijuana which, when recommended by a licensed physician to treat a serious illness such as AIDS, cancer, or glaucoma is legal under California state law, HACLA will issue a warning to the participant that use of medical marijuana is grounds for termination of assistance.¹ HACLA offers conditions on assistance to the family and the family must sign the agreement acknowledging that they understand the policy. If the family violates the terms of HACLA's agreement, program assistance will be terminated.

13.4.4 Production of Methamphetamine - Participants

HUD requires HACLA to terminate assistance for the family if it determines that any member of the household has ever been convicted of drug related criminal activity for manufacture or production of methamphetamine on the premises of federally assisted housing. This results in a lifetime prohibition of assistance in any federally assisted housing program.

13.5 Violent Criminal Activity

HUD defines violent criminal activity to mean “any criminal activity that has as one of its elements the use, attempted use, or threatened use of physical force substantial enough to cause, or be reasonable likely to cause, serious bodily injury or property

¹ The Quality Housing and Work Responsibility Act (QHWRA) of 1998 (42 U.S.C. 13661) prohibits the illegal use of controlled substances, including state legalized medical marijuana, in housing assistance programs. State laws that legalize medical marijuana directly conflict with requirements set forth in QHWRA and are thus subject to federal preemption.

damage.” [24 CFR 5.100]

13.5.1 Domestic Violence, Dating Violence, Stalking and Sexual Assault

That an applicant or participant is or has been a victim of domestic violence, dating violence or stalking is not an appropriate basis for denial of program assistance, termination of program assistance, or for denial of admission to any assisted housing program if the applicant otherwise qualifies for assistance or admission.

HACLA may not terminate assistance to a participant in the voucher program on the basis of an incident or incidents of actual or threatened domestic violence, dating violence or stalking against that participant where the participant is the victim or threatened victim.

HACLA may, however, terminate assistance to individuals who engage in criminal acts of physical violence against family members or others. In this regard see Section 13.5.2, *Violent Criminal Activity - Participants*, below.

Nothing in this section shall be construed to limit the authority of HACLA to terminate assistance if HACLA can demonstrate, based on a preponderance of evidence, an actual or imminent threat to other tenants or those employed at, or providing service to, the property or to HACLA, if that tenant is not evicted or terminated from assistance.

13.5.2 Violent Criminal Activity - Participants

HUD requires HACLA to establish standards that allow termination of assistance for the family if any household member engages in violent criminal activity.

HACLA standards are to terminate assistance for the family for any eviction from assisted housing due to violent criminal activity or any conviction of a household member for violent criminal activity during the time the family is currently participating in an assisted housing program. HACLA also terminates assistance if, using a preponderance of the evidence standard, evidence demonstrates that the participant or any member of the participant’s household has engaged in violent criminal activity regardless of whether the participant or household member is evicted or convicted for such activity.

HACLA may, at its sole discretion, provide assistance with conditions for non-culpable members of the family in accordance with Section 13.10, *Conditions on Assistance*, so long as the criminal activity did not result in eviction for serious violation of the lease.

13.6 Other Criminal Activity

13.6.1 Lifetime Sex Offender Registration - Applicants

HUD requires HACLA to prohibit admission of the family if any member of the household is subject to a lifetime sex offender registration requirement in any State.

13.6.2 Lifetime Sex Offender Registration – Participants

HACLA terminates assistance for the family if any member of the household is subject to a lifetime sex offender registration in any State and was admitted after June 25, 2001 regardless of the effective date of the registration requirement.

If a household member is subject to a lifetime sex offender registration requirement while a participant in an assisted housing program, HACLA must immediately pursue termination of assistance to the extent allowed by HUD requirements, the lease, and state or local law.

HACLA may, at its sole discretion, provide assistance with conditions for non-culpable members of the family in accordance with Section 13.10, *Conditions on Assistance*, of this Administrative Plan.

13.7 Alcohol Abuse

13.7.1 Alcohol Abuse - Applicants

HUD requires HACLA to establish standards that prohibit admission of a family if HACLA determines that it has reasonable cause to believe that a household member's abuse or pattern of abuse of alcohol may threaten the health, safety, or right to peaceful enjoyment of the premises by other residents.

HACLA's standards are to deny admission to the family if within one year of the initial interview any member of the household has been convicted of any crime that involved the use of alcohol.

HACLA will admit such families only if the household member described above:

1. Provides verifiable documentation of having successfully completed a supervised alcohol rehabilitation program since the last instance of criminal conduct that involved the use of alcohol or conviction for a crime that involved the use of alcohol, or
2. Provides verifiable documentation that he or she is currently an active participant in a supervised alcohol rehabilitation program.

13.7.2 Alcohol Abuse - Participants

HUD requires HACLA to establish standards that allow termination of assistance for a family if HACLA determines that a household member's abuse or pattern of abuse of alcohol may threaten the health, safety or right to peaceful enjoyment of the premises by other residents.

HACLA standards are to terminate assistance for the family for any eviction from assisted housing in which abuse of alcohol was a contributing factor to the eviction. HACLA also terminates assistance if, using a preponderance of the evidence standard, evidence demonstrates that the participant or any member of the participant's household exhibits an abuse or pattern of abuse of alcohol that may threaten the health, safety or right to peaceful enjoyment of the premises by other residents regardless of whether the participant or household member was evicted or convicted for such activity.

HACLA may, at its sole discretion, provide assistance with conditions for non-culpable members of the family in accordance with Section 13.10, *Conditions on Assistance*, of this Administrative Plan so long as the alcohol abuse did not result in an eviction for serious violation of the lease.

13.8 Other Family Action or Failure to Act

13.8.1 Serious or Repeated Violation of the Lease

HUD requires HACLA to terminate assistance for a family evicted from housing assisted under the tenant-based Housing Choice Voucher (HCVP) and the Project Based Assistance (PBA) programs for serious violation of the lease.

Criminal activity directly relating to domestic violence, dating violence or stalking shall not be considered a serious or repeated violation of the lease by the victim or threatened victim of that criminal activity or justify termination of assistance to the victim or threatened victim. However, this does not limit the authority of HACLA to terminate voucher assistance to individuals who engage in criminal acts of physical violence against family members or others.

13.8.1.1 Adverse Judgments

Participants are terminated from housing assistance programs in those instances in which an adverse judgment has been rendered against a family in a formal eviction action for serious or repeated violation of the lease. In the case of a stipulation or stipulated judgment, the family may be removed from a housing assistance program if the stipulation indicates that action or inaction of the family provided grounds for termination of tenancy.

For tenant-based programs and for project-based programs where 24 CFR

247.3 provides the grounds for eviction, other good cause (as referenced in 24 CFR 247.3 or 24 CFR 982.310) shall not be considered grounds for termination in cases in which the cause for eviction is the family's failure to accept a new lease or failure to move when the owner requires the tenant to move due to the owner's desire to remove the unit from the rental market, to terminate the Section 8 contract, to enable sale of the property, to rent at a higher rate, to rent to a family member, to perform major rehabilitation, to comply with a government agency's order to vacate, or for other reasons beyond the control of the family.

13.8.1.2 Reasonable Accommodation and Moves during the First Year of the Lease

In those instances in which a move during the first year of a lease is required as a reasonable accommodation for a person with a disability under the requirements of Section 504 of the Rehabilitation Act of 1973 or the Fair Housing Act of 1988, HACLA does not terminate participation of the family so long as the need for a reasonable accommodation or reasonable modification of the unit was appropriately verified by a provider/worker at least 30 days prior to the move, the property owner has demonstrated an unwillingness or inability to make a reasonable accommodation or allow a reasonable modification of the unit, and the family has provided a written notice to the owner and HACLA of its intention to move at least 30 days prior to the move.

13.8.1.3 Damages to the Unit

Participants are terminated from any housing assistance program if the family vacates the assisted unit leaving damages to the unit caused by the family, its guests, invitees or any other person over which the family had control, which are in excess of \$2,000.00 (two thousand dollars) as verified by a HACLA Inspector. Damages to the unit beyond normal wear and tear exceeding \$2,000.00 (two thousand dollars) are considered a serious violation of the lease. An individual is banned for five years prior to the date of the initial interview to any assisted housing program if he or she was terminated from any housing assistance program for damages to the unit exceeding \$2,000.00 (two thousand dollars). HACLA will admit such a family only if the family verifies that landlord was reimbursed for the cost of repairs. The burden of proof that landlord was reimbursed lies with the family.

13.8.1.4 Evictions or Terminations Due to Citizenship Issues

If, due to a change in the family's citizenship or immigration status, a change in the HAP proration causes a family to be evicted due to its inability to pay the increased amount of rent, HACLA terminates the family's participation in the Section 8 program but the family may re-apply for assisted housing through HACLA's waiting list. A family so evicted and terminated shall not be barred

from future participation under Section 13.8.8, *Termination from Section 8 Programs*, or Section 13.8.9, *Eviction from Assisted Housing*, of this Administrative Plan.

13.8.2 Consent Forms

HACLA must deny or terminate assistance for failure to sign and submit consent forms for obtaining information in accordance with 24 CFR Part 5, Subpart B (Disclosure and Verification of Social Security Numbers and Employer Identification Numbers; Procedures for Obtaining Income Information) and 24 CFR Part 5, Subpart F (Section 8 and Public Housing Family Income and Family Payment; Occupancy Requirements for Section 8 Project-Based Assistance) and within the framework of HACLA's policy and procedure.

13.8.3 Citizenship

HACLA must deny or terminate assistance for failure to submit evidence or failure to establish evidence of citizenship or eligible immigration status in accordance with 24 CFR Part 5, Subpart E (Restrictions on Assistance to Noncitizens) and within the framework of HACLA's policy and procedure.

13.8.4 Social Security Information

HACLA must deny or terminate assistance for failure to disclose and verify Social Security Numbers in accordance with 24 CFR Part 5, Subpart B (Disclosure and Verification of Social Security Numbers and Employer Identification Numbers; Procedures for Obtaining Income Information) and within the framework of HACLA's policy and procedure.

13.8.5 Family Obligations

HACLA may deny or terminate housing assistance to any participant family who fails to meet any of the family obligations or family responsibilities specified in 24 CFR for the applicable assisted housing program.

13.8.6 Abusive or Violent Behavior

HACLA denies admission or terminates assistance for the family if, in the exercise of reasonable judgment, it determines that any member of the family has engaged in or threatened abusive or violent behavior toward any HACLA employee.

An individual is banned for ten years from admission to any assisted housing program if he or she has engaged in or threatened abusive or violent behavior toward any HACLA employee.

13.8.7 Fraud

HACLA denies admission to the family if any member of the family has committed fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program within the ten years immediately prior to the initial interview.

HACLA terminates assistance for the family if any member of the participant family commits fraud, bribery, or any other corrupt or criminal act in connection with any federal housing program. Fraud includes intentionally and willfully providing false or misleading information on any HACLA forms, such as forms that collect family composition and income information, and/or intentionally and willfully providing other false or misleading information relevant to determining a family's eligibility for assistance or the amount of assistance.

13.8.7.1 Staff Investigation of Misreported Income

All instances of suspected misreporting of income shall be documented in HACLA's business system. All follow-up actions to investigate such cases shall also be documented.

When HACLA staff suspects that a family has committed fraud or has under-reported income, operational staff will investigate the suspected misreporting of income.

If the family leaves the assisted housing program prior to completion of the investigation, staff shall forward the case and all documentation to HACLA's Section 8 Investigations Unit. The family shall be recorded as having left the assisted housing program while under investigation for misreporting income.

13.8.7.2 Investigation by Section 8 Investigations Unit (SIU)

If the Section 8 Investigations Unit cannot develop documentation to substantiate the misreporting of income, SIU staff shall remove the designation of "under investigation" from the family's record.

If the Section 8 Investigations Unit substantiates a case of fraud, the family's record shall be marked Do Not Readmit (DNR). SIU will calculate the amount of housing assistance payments overpaid on the family's behalf and attempt to bill the family. In addition to other actions, SIU may refer such cases to appropriate law enforcement agencies for criminal prosecution and/or take civil action to recapture owed monies.

In such cases, the ten year ban on admission shall begin with the date the most recent HAP contract for the family was terminated. In accordance with Section 13.8.10, *Family Owes Money to a Public Housing Agency*, the family shall not be admitted to any assisted housing program unless the family has repaid all

amounts owed to HACLA and the ten year ban expires, whichever is later.

If HACLA successfully prosecutes the family in a criminal case, the ten year ban shall begin with the date of the conviction.

If Section 8 Investigations Unit substantiates a case of misrepresentation of income but not a fraudulent misrepresentation, the family is billed for any overpayment of HAP or UAP and the amount owed is recorded and retained in the computer system until paid. In accordance with Section 13.8.10, *Family Owes Money to a Public Housing Agency*, the family shall not be admitted to any assisted housing program unless the family has repaid all amounts owed to HACLA.

In addition to unreported income, SIU investigates allegations of program non-compliance (violations of S8 Family Obligations) and fraud.

Examples of allegations investigated by SIU include, but are not limited to:

- Tenant/owner conflict of interest
- Criminal activity
- Unauthorized tenants
- Subleasing
- Unreported vacancy
- Multiple subsidies

13.8.7.3 SIU Investigations

Notwithstanding the provisions above, nothing shall prevent Section 8 Investigations Unit from initiating and conducting an independent investigation of misrepresentation of income.

13.8.7.4 Retention of Records

All documentation used to substantiate any misreporting of income shall be permanently retained in hardcopy format or as scanned documents in HACLA's business system.

If a family no longer participates in an assisted housing program, a family file that contains full documentation of misreported income shall be permanently retained until such time as the family has repaid HACLA in full.

HACLA shall also permanently retain any signed agreement to repay HACLA. However, a signed repayment agreement is not of itself legally sufficient to support a HACLA determination that a family owes money to the PHA.

13.8.8 Termination from Section 8 Programs

HACLA denies admission to the family if any member of the family has been terminated from any HACLA Section 8 assisted housing program for cause within the five years immediately prior to the initial interview.

Per Section 13.1 of this Administrative Plan, HACLA may (but is not required to) consider all circumstances in each case prior to reaching a decision to deny or terminate participation, including but not limited to, provide an exception if any member of the family has been terminated from any HACLA Section 8 assisted housing program for the reasons listed below:

1. Failure to notify the Housing Authority and the owner in writing before moving out of the unit, or ending the lease
2. Failure to notify the Housing Authority that the family will be absent from the unit
3. Violation of annual HQS inspection due to tenant non compliance, limited to non payment of utilities for which the tenant is responsible and not allowing the Housing Authority to inspect the unit.

If the family is readmitted to any HACLA assisted housing program after a termination for cause from any HACLA Section 8 assisted housing program and is subsequently evicted or terminated, HACLA permanently denies the family participation in any of its assisted programs.

[See Section 13.8.1.4, *Evictions or Terminations Due to Citizenship Issues*, for exceptions for terminations caused by mandatory proration of HAP due to citizenship issues.]

13.8.9 Eviction from Assisted Housing

HACLA denies admission to the family if any member of the family has been evicted from any HACLA federally assisted housing program within the three years immediately prior to the initial interview unless the cause for eviction was the family's failure to accept a new lease or failure to move when the owner requires the tenant to move due to the owner's desire to remove the unit from the rental market, to terminate the Section 8 contract, to enable sale of the property, to rent at a higher rate, to rent to a family member, to perform major rehabilitation, to comply with a government agency's order to vacate, or for other reasons beyond the control of the family.

In addition, criminal activity directly relating to domestic violence, dating violence or stalking is not considered a serious or repeated violation of the lease by the victim or threatened victim of that criminal activity. An applicant who is or has been a victim of domestic violence, dating violence or stalking shall not be denied assistance on that basis alone.

If the family is readmitted to any HACLA assisted housing program after an eviction from any HACLA federally assisted housing program and is subsequently evicted

or terminated, HACLA permanently denies the family participation in any of its assisted programs.

[See also Section 13.4.1.1, *Prior Evictions for Drug Related Criminal Activity*, for additional information regarding eviction from federally assisted housing.]

[See Section 13.8.1.4, *Evictions or Terminations Due to Citizenship Issues*, for exceptions for evictions caused by mandatory proration of HAP due to citizenship issues.]

13.8.10 Family Owes Money to a Public Housing Agency (PHA)

13.8.10.1 Applicants

HACLA denies participation in assisted housing to a family if any member of the family currently owes rents or other amounts to HACLA or to any other Public Housing Agency (PHA) in connection with Section 8 or public housing assistance under the Housing Act of 1937, or if any member of the family has not reimbursed any PHA for amounts paid to an owner under a HAP Contract for rent, damages to a unit or other amounts owed by the family under the lease. The family is notified of the reason for denial and the amount due to the various PHAs.

HACLA will allow such families to participate in its assisted housing programs if the family repays the full amount of all monies owed to all PHAs within 30 days of the date the family is notified of the denial due to money owed, provided that there is no additional reason for the family to be denied participation. Repayment of monies owed to PHAs under this section does not remove any other ban on participation incurred under Chapter 13, *Terminations and Denials*, of this Administrative Plan.

In order to deny a family under this section for money owed to HACLA, HACLA must have documentation that substantiates why the money is owed.

Per Section 13.1 of this Administrative Plan, HACLA may (but is not required to) consider all circumstances in each case prior to reaching a decision to deny or terminate participation, including but not limited to, allow participation in assisted housing to a family if the family executes a repayment agreement for the amount owed.

13.8.10.2 Porting Families

HACLA denies participation in its assisted housing programs if any member of a family porting into HACLA's jurisdiction owes rent or other amounts to any PHA in connection with Section 8 or public housing assistance under the 1937 Act. Participation is denied even though the family may have entered into an

agreement to repay the PHA.

13.8.10.3 Participants

HACLA terminates assistance for the family if any member of the household:

1. Fails to repay HACLA or any other Public Housing Agency (PHA) for rents or other amounts owed in connection with Section 8 or public housing assistance under the Housing Act of 1937; or
2. Has not reimbursed any PHA for amounts paid to an owner under a HAP Contract for rent, damages to the unit, or other amounts owed by the family under the lease; or
3. Fails to negotiate a repayment agreement or breaches any repayment agreement for amounts owed to any PHA or amounts paid to an owner by any PHA.

13.8.10.4 Policy Prior to 12-1-95 - Participants Who Owe HACLA

[For policy in effect after 11-30-95 see Section 12.6, *Family Repayment of Amounts Owed to HACLA*, of this Administrative Plan.]

In assisted housing programs, prior to 12-1-95, a family who owed HACLA monies for any reason and who refused to execute a repayment agreement or who executed a repayment agreement but who subsequently defaulted was flagged as DNR (*Do Not Readmit*). This family was not terminated from the program but was notified that the failure to repay HACLA was a bar to receiving another certificate or voucher in the program. The family was offered the opportunity for a hearing to dispute the disbarment. The family was advised that termination of the existing lease for any reason, whether or not due to the fault of the tenant, would terminate the family's participation in the assisted housing program.

Families so affected are not subject to the termination of assisted housing benefits until such time as their tenancy in the assisted unit terminates. When tenancy terminates, these families are terminated from the assisted housing program. Since they have already received an opportunity to contest this determination in an informal hearing, no further hearing was, or is, required to terminate the family.

13.8.10.5 Offer of Repayment at Time of Termination

For only those families covered by Section 13.8.10.4, above, HACLA will, subject to other program regulations and to the other provisions of this Administrative Plan, reissue a voucher to a family listed as DNR due to failure to repay HACLA only if, within ten days following the termination of tenancy or termination of the HAP Contract or subsidy, the family repays the amount owed

HACLA in full.

13.8.11 Failure to Provide HUD Notice

HACLA terminates assistance for the family if the family fails to provide HACLA a copy of any HUD letter or notice to the family that provides information concerning the amount or verification of family income.

13.8.12 Refusal to Comply with Screening Requirements

HACLA denies admission to a family if any adult household member refuses to sign a consent form or refuses to submit fingerprints necessary to process a criminal history record check.

HACLA denies admission to any adult person whom the family requested to be added to the household if that person refuses to sign a consent form or refuses to submit fingerprints necessary to process a criminal history record check.

13.8.13 Family's Non-acceptance of Conditions on Assistance

HACLA denies or terminates assistance if:

1. HACLA offers conditions on assistance to the family [See Section 13.10, *Conditions on Assistance*, of this Administrative Plan.] but the family does not accept the conditions; or
2. HACLA offers conditions on assistance but any adult member of the approved family fails to sign HACLA's agreement specifying the conditions on assistance within a reasonable period of time; or
3. The family has accepted conditions on assistance but violates the terms of HACLA's agreement specifying the conditions on assistance.

13.9 Applicant's Withdrawal of Household Members

If HACLA has determined that an applicant household or family cannot be admitted to an assisted housing program because of the action or inaction of a specific household member on the application, or because of that household member's prior or continuing criminal activity or abuse of alcohol, the family may withdraw that person from the household. HACLA then provides assistance with conditions to the reconstituted household in accordance with Section 13.10, *Conditions on Assistance*, below.

13.10 Conditions on Assistance

HACLA may impose, as a condition of assistance for other family members, a requirement that family members who participated in or were culpable for any action or inaction which provides the grounds for termination or denial will never reside in the unit. HACLA may at its sole discretion permit the other members of a family to obtain or continue receiving assistance.

Denials of assistance for a particular member or members of the family and a statement of conditions on assistance for the remaining members of the approved family must be in writing. All adult members of the approved family must sign HACLA's agreement specifying conditions on assistance.

Conditions on assistance shall not be provided to an applicant family if any member of the household on the original or any subsequent application was evicted from federally assisted housing for drug related criminal activity (including personal possession or use of a drug) within 3 years prior to the date of the initial interview. [See Section 13.4.1.1, *Prior Evictions for Drug Related Criminal Activity*, of this Administrative Plan for exceptions.]

[See Section 13.8.13, *Family's Non-acceptance of Conditions on Assistance*, of this Administrative Plan for failure by the family to accept conditions on assistance.]

13.11 HACLA Notification to the Applicant or Participant

HACLA provides written notification to any applicant or participant who will be terminated from, or denied assistance in, any assisted housing program. For notice requirements see Section 14.7.1, *Written Notice of Intended Action*, of this Administrative Plan.

13.12 Action after the Family's Response or Non-response

After appropriate notification of HACLA's decision to terminate or deny assistance and an offer of an informal review or hearing, if the family does not make an informal complaint or request an informal review or hearing or, in the case of a family containing a person with a disability, request a reasonable accommodation within the time frame specified by HACLA,

1. For applicant families, the family's application is withdrawn without further notice to the family.
2. For participant families, the housing assistance is terminated in accordance with the original notice to the family.

If the family makes an informal complaint or requests an informal review or hearing, notification of HACLA's final action and of the effective date of that action is made in accordance with Chapter 14, *Complaints and Hearings*, of this Administrative Plan

and in accordance with Section 13.13, *Termination Time Frames*, below.

If the family makes a request for a reasonable accommodation, the request is processed in accordance with HACLA Manual of Policy and Procedure Chapter 125:1, *Nondiscrimination on the Basis of Disability and Reasonable Accommodation Policy and Procedures*, Appendix 3 of this Administrative Plan.

13.13 Termination Time Frames

HACLA terminates a contract or subsidy by giving advance notice to the owner and to the family. Unless the terms of the contract or HUD regulations specify otherwise, HACLA provides at least 30 (thirty) days advance notice to both the owner and the family. However, if a family's participation is to be terminated due to action or inaction by the family which occurred in a prior tenancy, HACLA provides at least a 60 (sixty) day notice of termination to the current owner. If applicable, the owner is advised of the family's right to appeal the action.

Insofar as allowed by regulations HACLA terminates Section 8 Contracts, assisted housing subsidies (HAP), and tenant participation simultaneously at the end of a month. [For terminations due to noncitizen issues see Section 6.16, *Loss of Eligibility Due to Restrictions on Noncitizens*, of this Administrative Plan.]

13.14 Removal from the Waiting List

If HACLA denies assistance to an applicant family or refuses to enter into a HAP Contract or refuses to provide a subsidy on behalf of the family for any reason set forth in this Chapter 13 and the applicant family does not appeal the decision or, if appealed, HACLA is upheld, the applicant family is withdrawn from the waiting list.

13.15 Providing Information to Law Enforcement

HACLA must comply with information requests from Federal, State or local law enforcement officers regarding possible fugitive felons and/or parole or probation violators. HACLA will also comply with information requests from law enforcement officers who are developing a case against a suspected criminal.

All law enforcement requests for information shall be forwarded directly to HACLA Section 8 Investigations Unit. SIU shall ensure that the requests comply with the requirements of Section 28 of the Housing Act of 1937 and/or other legal requirements and with HUD directives, such as PIH Notice 2003-27, as may be appropriate.

HACLA staff shall not release any information of any type to law enforcement agencies unless the release has been authorized in writing by immediate supervisor.

HACLA staff shall not release any document containing social security information or a social security number to any person except as authorized in writing.

A copy of any letter from a law enforcement agency that legitimately requests information concerning a member of a participant family shall be retained in the client's file.

13.16 Expunged Convictions

If an applicant family verifies that an earlier conviction for a matter that would normally bar a person or family from participation has been expunged by action of a court or of law, HACLA shall waive that conviction and admit the family provided no other bar to admission exists.

If a participant commits a crime while receiving housing assistance, HACLA shall terminate the assistance of the participant in accordance with the policies established in Chapter 13 of this Administrative Plan irrespective of whether a court is considering expungement of the record or whether the participant may be eligible for future expungement. After termination, such persons or families shall not be reinstated to the assisted housing program, but shall be required to re-apply for assistance through HACLA's waiting list.

Chapter 14 COMPLAINTS AND HEARINGS

14.1 General Considerations

HACLA allows owners, applicants and participants a means of reviewing HACLA determinations. All parties to an action of HACLA may raise questions regarding policies and procedures whether established by HUD or by HACLA. Normally such questions are first directed to the lowest level of the chain of command. If the party requires further explanation, he or she is referred to the first line supervisor who is empowered to explain HACLA action, to determine whether policy and procedure have been properly implemented, and to correct any errors.

After a final determination was made and administrative procedure described above was exhausted, HACLA may, at its sole discretion, dismiss any informal complaints where the applicant or participant family repeatedly engages in actions intended to delay final decision, submits unnecessary documentation, or attempts to resubmit a similar complaint.

14.2 Housing Discrimination Complaints

Charges of discrimination or fair housing violations in the Section 8 and other assisted housing programs are addressed immediately by HACLA staff. If the charge cannot be resolved immediately, the applicant or participant may be referred to HACLA's Accessibility Coordinator for assistance in filing a complaint. [See also Section 2.4, *Objective IV: Assisting Families that Encounter Discrimination*, of this Administrative Plan.]

14.3 Ombudsperson

HACLA employs several ombudspersons. The ombudsperson investigates complaints made by an owner, applicant or participant and recommends to HACLA employees and supervisors any action required by HACLA's policy and procedure which would resolve the complaint. If the investigation of the ombudsperson indicates that HACLA action was appropriate, the ombudsperson may resolve complaints by explaining HACLA policy and procedure to the affected party and by explaining that the investigation by the ombudsperson indicated that HACLA action was appropriate.

14.4 Informal Complaint

In all cases in which HACLA is not required by HUD to utilize the informal review or informal hearing procedures, the informal complaint procedure is used to resolve questions and disputes. The informal complaint procedure is the primary means for owners to resolve problems beyond the level of the immediate supervisor. Complaints

are resolved through the following procedure:

14.4.1 Informal Complaints by Owners

Owner complaints may originate at any level and may be resolved at any appropriate level including that of the ombudsperson. Owner complaints are first brought to the attention of the staff member responsible for taking the action which resulted in the complaint. The staff member reviews the facts of the case and determines whether HACLA acted in accordance with appropriate policies and procedures. The staff member or the immediate supervisor responds to the owner query either in writing or by phone. Additional actions which may be taken to respond to an owner complaint are:

1. In cases involving claims made by an owner under a HAP Contract, the owner may be invited by the hearing officer to participate in the informal hearing process by personally presenting the owner's case, by providing additional documentation or by providing witnesses which may be called at the hearing. [See also Section 14.7, *Informal Hearing*, below.]
2. In cases involving determinations of deficiencies at inspections, determining responsibility for correcting deficiencies, and determining whether the deficiencies are HQS deficiencies, the owner may ask to have an inspector's determinations reviewed by the senior inspector. The senior inspector may re-inspect the unit to determine the nature, extent, and cause of the deficiencies.
3. In cases involving abatements of the Housing Assistance Payment, the owner may be asked to provide documentation of work done and the date of completion, documentation of the owner's efforts to repair the property or documentation of the owner's actions to pursue an unlawful detainer action against the tenant if the owner claims that the tenant prevented the owner from making repairs.

If neither the staff member who performed the action resulting in the complaint nor the immediate supervisor is able to resolve the complaint, the supervisor may refer the owner complaint to the office manager who reviews the facts and determines whether the actions of subordinate staff were appropriate. The manager may direct subordinates to correct errors or deficiencies and to reply directly to the owner or the owner's representative.

Complaints that are not satisfactorily resolved at the manager's level are referred to the Section 8 Assistant Director.

14.4.2 Informal Complaints by Applicants and Participants

Applicants and participants are referred to the staff person responsible for making the decision which resulted in the complaint for an initial review of the action. If the complaint is not resolved at that level, HACLA follows the supervisory chain of command outlined in 14.1, *General Considerations*, above.

14.5 Preference Complaints

All applicants who claim a preference and who have been denied the preference have a right to meet with an employee designated to review the determination. The designated employee may not be the person who made or approved the original decision or a subordinate of that person.

14.6 Informal Review - Applicants

HACLA must give an applicant an opportunity for an informal review of any HACLA decision denying assistance to the applicant. However, if the denial is based on citizenship or immigration status, the family is entitled to an informal hearing.

If HACLA denies admission to a proposed additional member of the household because of criminal activity as shown by a criminal record, HACLA must provide an opportunity for an informal review to allow that person to dispute the accuracy and relevancy of the record.

14.6.1 Action Prior to Informal Review

Applicants are informed in writing of the reasons for the denial of a voucher and subsequent withdrawal from the wait list. Applicants are advised of their right to request an informal review and are allowed 30 days from the date of the notification to request the review.

The request for an informal review is referred to the appropriate Manager or to a designated management level employee. The review may not be conducted by a person who made or approved the decision under review or by a subordinate of that person.

The reviewer offers the applicant an opportunity to present written or oral objections to HACLA decision. The applicant may provide documents and records and other oral or written testimony pertinent to the case.

14.6.2 Determination by the Reviewer

The reviewer will take the testimony of the applicant and all witnesses and may require that parties giving testimony sign certified statements of facts. The reviewer gathers all written statements and documentation which pertain to the case. The reviewer examines all facts of the case and pertinent HUD and HACLA policies and procedures in reaching a decision. The reviewer may defer a decision in order to allow an applicant time to gather and present additional information. The reviewer makes a determination based on the ascertainable facts of the case, HUD regulations, and HACLA policies and procedures. Determinations are based on a preponderance of evidence.

14.6.3 Action after Determination

HACLA reviewer notifies the applicant of the final HACLA determination in writing and provides the applicant with a brief statement of the reasons for the final decision.

14.7 Informal Hearing

In accordance with program regulations contained in 24 CFR, informal hearings are required to allow participants to contest HACLA decisions relating to:

1. A determination of the family's annual or adjusted income and computation of the Housing Assistance Payment (including computation of imputed income for welfare grants but not for the welfare agency's determination of whether to impose a sanction due to fraud or failure to participate in an economic self-sufficiency program which is at the sole discretion of the welfare agency);
2. A determination of the appropriate utility allowance;
3. A determination of the family unit size under HACLA's subsidy standards (but not to contest the standards themselves);
4. A determination that a HOPWA or Shelter Plus Care tenant-based certificate family is overhoused under HACLA's subsidy standards, or a determination to deny the family's request for an exception from the standards;
5. A determination to terminate assistance for a participant family because of the family's action or failure to act (including a breach of HQS caused by the family);
6. A determination to terminate assistance because the family has been absent from the unit for longer than the maximum permitted under HACLA policy and HUD rules.

[In the cases described in 4, 5, and 6 above HACLA must give the opportunity for an informal hearing before HACLA terminates assistance payments for the family under an outstanding HAP Contract.]

In accordance with 24 CFR, Part 5, Subpart E, HACLA conducts an informal hearing for both applicants and participants when denying or terminating assistance based on citizenship and immigration status.

In accordance with 24 CFR regulations on Moderate Rehabilitation, HACLA conducts an informal hearing if a family in the Moderate Rehabilitation program disagrees with a determination of ineligibility either at the application stage or after assistance has been provided to the family.

In accordance with 24 CFR regulations on Moderate Rehabilitation - Single Room Occupancy, HACLA conducts an informal hearing if a tenant in a structure to be rehabilitated under the Moderate Rehab-SRO program believes the tenant family has not received temporary relocation opportunities, services or payments to which the family is entitled.

If a participant family in a project-based program, including the Moderate Rehabilitation programs, is evicted by the owner, the family may request an informal hearing to determine whether the eviction was rightful and whether the family should be terminated from the Section 8 or other assisted housing program.

In addition, although not required by provisions of 24 CFR, HACLA conducts an informal hearing to allow a participant family to dispute the amount the family is responsible for in unpaid rent, damage and vacancy loss claims which may be allowable under the terms of existing HAP Contracts with HACLA.

14.7.1 Written Notice of Intended Action

Affected families are sent written notices in English, Spanish, Armenian and Russian at least 30 days prior to the effective date of the intended actions listed in Section 14.7, *Informal Hearing*, above. The notice contains the following:

1. A statement of the specific action to be taken by HACLA;
2. The reason for the intended action, citing the regulations or HACLA policies that support or require the action;
3. If the intended action is based on failure to reimburse HACLA for unpaid rent, vacancy loss, damage claims or other amounts owed to HACLA, the amount owed to HACLA and, for participant families, notification of any installment repayment option available;

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4. Information on the affected family's right to an informal hearing and how to request a hearing;
5. Information on the availability of a reasonable accommodation for a family containing a person with a disability; and
6. The deadline for requesting a hearing which is not less than 30 days after the mailing of the Notice of Intended Action and Right to Request a Hearing.

14.7.2 Action on Receipt of a Request for an Informal Hearing

The following action will take place on receipt of a request for an informal hearing:

1. If HACLA action was the result of an investigation by Section 8 Investigations Unit, SIU staff refers the hearing request to the appropriate Assistant Section 8 Director with an evidence packet.
2. In all other cases, the supervising manager or designee holds a pre-hearing conference with the family to attempt to resolve the matter to the family's satisfaction. If the issue is not resolved, the hearing request is forwarded to the appropriate Assistant Section 8 Director. Accompanying the hearing request is an evidence packet containing all papers, documents, records, requests and exhibits which will be used in the hearing to present HACLA's justification for its action.
3. The Assistant Section 8 Director:
 - a) Appoints a manager, who was not directly involved in the decision or issue being contested and who is not subordinate to the person who made the decision, to act as the hearing officer for the case; or
 - b) Refers the hearing and/or appointment of a hearing officer to an outside agency or independent contractor approved by HACLA.
4. The hearing officer is provided with all the documents relevant to the case, copies of federal guidelines and regulations and HACLA Section 8 Administrative Plan.
5. In consultation with the manager who issued the decision, the hearing officer schedules a hearing time and date convenient to all parties. The participant must be notified of the time, date and place of the hearing at least ten days before its scheduled date.

14.7.3 Action on Receipt of a Request for a Reasonable Accommodation

If a family asserts that a family member is a person with a disability and requests a reasonable accommodation in order to comply with HACLA's policies or procedures, HACLA accepts and processes the request in accordance with HACLA Manual of Policy and Procedure Chapter 125:1, *Nondiscrimination on the Basis of Disability and Reasonable Accommodation Policy and Procedures*, Appendix 3 of this Administrative Plan.

14.7.4 Postponements

The family is allowed to receive one postponement of the hearing of up to 20 days. The postponement may be no longer than 20 days. The postponement must be requested at least one day in advance of the hearing and may be for good cause only.

Exception to the time frames above may be granted by the hearing officer only for verifiable medical reasons and must be made by mutual consent of the parties.

14.7.5 Responsibilities of the Hearing Officer Prior to the Hearing

Prior to the actual hearing date, the Hearing Officer ensures that the family is provided:

1. Notice of the time, date and place of the hearing at least ten days before its scheduled date;
2. The opportunity to receive one continuance of the hearing;
3. Reasonable time and opportunity to examine the case file and all records and documents to be used by HACLA at the hearing;
4. If requested, free of charge, one copy (only) of each document, record or exhibit contained in the evidence packet to be used at the hearing;
5. If requested, free of charge, one copy (only) of pertinent HUD regulations, portions of the Administrative Plan, and any procedural memos that are directly relevant to the hearing;
6. If requested, a list of the witnesses HACLA intends to call at the hearing; and
7. In the case of a hearing regarding citizenship and immigration status, any documents in the possession of HACLA pertaining to the family's eligibility status.

In addition, the family is advised that it has the right to:

1. Be represented by an attorney or other person(s) at the family's expense;
2. Provide an interpreter or mechanical or electronic aids to overcome any language or communications handicap (where practicable and if arranged in advance, HACLA may provide an interpreter);
3. Object to or question any evidence or testimony presented;
4. Bring and examine witnesses;
5. Submit evidence, and offer explanations or arguments relevant to the issues;
6. Call, confront and cross-examine adverse witnesses including persons who provided information in the family's file relevant to the action; and
7. If the family contains a person with a disability, make a request for a reasonable accommodation.

14.7.6 Rights of Discovery

Prior to the hearing the family has the right to examine and copy any Housing Authority documents that are directly relevant to the hearing at least five days in advance of the hearing. The family must submit the documents that they will present during the hearing along with a list of the attending witnesses at least five days before the hearing. These documents are copied at the expense of HACLA.

The family must submit the documents that they will present during the hearing along with a list of the attending witnesses at least five calendar days (excluding holidays) before the hearing. Documents must be submitted to HACLA main office located at 2600 Wilshire Blvd, Los Angeles, CA 90057. Failure to comply will result in the exclusion of the family's documents. HACLA must be allowed to copy these documents at the expense of HACLA.

14.7.7 Representation for HACLA

The manager or designee from the referring field office or department will represent HACLA at the hearing and defend HACLA decision.

14.7.8 Conducting the Hearing

14.7.8.1 Introductory Remarks

The hearing officer insures that a working recording device is activated and:

- Announces that this is an informal hearing of HACLA;
- Announces the time and date of the hearing;
- Introduces himself or herself and all parties present;
- States the intended action of HACLA, the reason for the action and the purpose of the hearing;
- Explains that the hearing is informal, but that the decision of the hearing officer is binding on HACLA unless the decision concerns a matter for which HACLA is not required to provide an opportunity for an informal hearing, or otherwise exceeds the authority of the hearing officer, or the hearing decision is found to be contrary to HUD regulations or requirements, or otherwise contrary to Federal, State or local law. Discretionary administrative determinations may be made to address administrative errors.
- Explains that the proceedings will be tape recorded to maintain a permanent record of the testimony provided during the hearing;
- Explains the rules of conducting the hearing to the family: HACLA will present its case first. The family will then be given time to ask questions, raise objections and present testimony on all relevant issues;
- Explains that the hearing decision will be rendered after the hearing is concluded and after the hearing material and testimony have been reviewed.

14.7.8.2 Action During the Hearing

The hearing officer insures that decorum is maintained during the hearing, that the hearing is impartial and orderly, that HACLA representative is given adequate time to explain HACLA position without interruption, that the family receives adequate time to question and cross examine any witnesses, and that the family receives adequate time to explain the family's position, to present documents and witnesses.

The hearing officer conducts a full inquiry of all relevant issues and receives and makes a part of the record all evidence or testimony presented.

If the family brings documents to the hearing, the hearing officer insures that copies are made for HACLA representative and for the file.

The hearing officer may interrupt any representative or witness to ask clarifying

questions and to verbally enter into the record dates of written documents presented and other visual information which might be appropriate to provide a clear understanding of the verbal as well as the written record. The hearing officer may pose questions to any participant in the hearing relevant to any issue which may have a bearing on the matter to be decided.

14.7.8.3 Continuances

At his or her sole discretion, HACLA hearing officer may extend the hearing for a maximum of 10 working days to allow the family additional time to provide certain information pertinent to the hearing, or to take a certain action. The hearing officer must specify to the family in writing at the hearing what material is to be provided and a date by which the material must be received. Information received after the date specified shall not be considered in reaching a decision.

14.7.8.4 Reasonable Accommodation Requests During the Hearing

If at the hearing the family requests a reasonable accommodation to enable the family to meet program or other requirements which are related to HACLA's action against the family, or requests an appeal to the Accessibility Coordinator, the hearing officer will suspend the hearing process and immediately refer the family's request to the appropriate staff for investigation and resolution in accordance with HACLA Manual of Policy and Procedure Chapter 125:1, *Nondiscrimination on the Basis of Disability and Reasonable Accommodation Policy and Procedures*, Appendix 3 of this Administrative Plan.

The hearing officer retains the audio record of the hearing and other hearing materials and adds a memorandum of the referral of the reasonable accommodation request to the hearing record.

At the conclusion of the reasonable accommodation process HACLA staff notifies the hearing officer of HACLA's decision on the request for reasonable accommodation, and the family's decision to withdraw its hearing request or to pursue a hearing. The hearing officer will either schedule a new hearing or withdraw the hearing case by written notice to the family.

If the hearing case is withdrawn, no written decision is rendered, but the written notice of withdrawal is added to the hearing record.

If the hearing is to continue, HACLA revises the evidence packet for use at the hearing to include all materials related to the request for reasonable accommodation.

14.7.8.5 Remarks at the Close of the Hearing

At the conclusion of the hearing the hearing officer advises that a written decision will be rendered and that the family will have ninety days from the date of the decision to contest the hearing decision in a court of law.

The hearing officer will again advise the family that the written hearing decision will be binding upon HACLA unless the decision concerns a matter for which HACLA is not required to provide an opportunity for an informal hearing, or otherwise exceeds the authority of the hearing officer, or the hearing decision is found to be contrary to HUD regulations or requirements, or otherwise contrary to Federal, State or local law. Discretionary administrative determinations may be made to address administrative errors.

14.7.9 Failure to Appear

If the participant family fails to appear for the informal hearing and fails to make a timely request for a postponement of the hearing, the hearing officer will reach a decision based on the preponderance of evidence contained in the evidence packet. Factual determinations relating to individual circumstances of the family must be based on a preponderance of the evidence presented in the evidence packet.

14.7.10 Informal Hearing Decision

If the family or its representative appears at the hearing, the hearing officer's decision must be based solely on the evidence and materials introduced at the hearing. Factual determinations relating to individual circumstances of the family must be based on a preponderance of the evidence presented at the hearing. [If the family or its representative fails to appear, see Section 14.7.9, *Failure to Appear*, above.] The hearing decision must conform with existing laws, HUD regulations or requirements, and HACLA policies.

The written hearing decision will be mailed to the family within thirty (30) calendar days of the completion of the informal hearing.

14.7.11 Mandatory Decision in Favor of the Family

The hearing officer must not terminate or deny assistance when, during the hearing:

1. The family or its counsel/representative is not given the opportunity to examine evidence or to question adverse witnesses, and that evidence or the statements of the witnesses were a factor in the denial, termination or reduction of aid; or

2. The hearing establishes that the family's non-compliance with program regulations or HACLA's requirements (including a participant's breach of an agreement to pay amounts owed to HACLA) was not willful, and the family agrees to meet the obligations within a reasonable time designated by the hearing officer.

14.7.12 Preparation of the Written Decision

The hearing officer must issue a written decision which is to be furnished promptly to the family. The decision must summarize the case facts, identify each issue considered, identify supporting evidence, specify the reason for the decision on each issue, and cite pertinent laws, regulations or HACLA policies on which the decision is based.

If the decision is unfavorable to the family, the hearing officer shall additionally advise the family in writing of the effective date of any reduction or termination of assistance, if applicable, and of the family's right to file a petition to contest the decision in court within ninety days of the date of the decision.

If HACLA's action was based on non-payment of rent, or on a valid unpaid rent, damage or vacancy loss claim made by the landlord, the decision shall state the amount of money the participant owes to HACLA or the amounts paid to an owner by HACLA, if any, and the availability of a reasonable schedule by which the participant can pay HACLA in installments.

This section in no way restricts HACLA from terminating a participant family due to the family's action or failure to act where termination from the program is due to grounds set forth elsewhere in this Administrative Plan and not solely due to the fact that the family owes money to HACLA.

The hearing officer provides a copy of the hearing decision to S8 Administration. Implementation of the hearing officer's decision is the responsibility of Section 8 Investigations Unit staff if the case was referred by that department. In all other cases, staff under the appropriate Assistant Director will implement the hearing decision.

14.7.13 The Hearing Record

The hearing officer prepares an official hearing record which consists of:

1. The audio recording of the actual hearing and any continuance hearing;
2. Copies of all papers, documents, records, requests, and exhibits submitted for the hearing or any continuance hearing;
3. Copies of any other papers, documents, records, requests, and exhibits

- considered by the hearing officer;
4. Any additional materials required by Section 14.7.8.4, *Reasonable Accommodation Requests During the Hearing*; and
 5. The hearing officer's written decision or the hearing officer's notice indicating the family has withdrawn its request for a hearing.

HACLA retains hearing records permanently.

The family has a right to one copy of the audio tape of the hearing at no cost to the family. If the family wishes a transcript of the hearing, the family must make arrangements for a transcript of its copy of the audio tape at its own expense.

14.7.14 Public Access to Hearing Decisions

All hearing decisions are accessible to the public, subject to the provisions for safeguarding the privacy rights of the affected parties. Requests for access must be addressed to HACLA's Records Management Specialist.

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Chapter 15 MONITORING PROGRAM PERFORMANCE

15.1 Program Statistical Data

To assist in monitoring overall performance HACLA uses data provided by its computer systems to record and track information required by HUD for the administration of the Section 8 and other assisted housing programs and to provide internal reports to management.

15.2 Section Eight Management Assessment Program (SEMAP)

HACLA collects data and maintains records required to complete reports which may be required for the Section Eight Management Assessment Program. HACLA insures that means are in place to insure compliance with HUD requirements in all applicable performance indicator areas.

15.3 Quarterly Goals and Workload Indicators

Each year HACLA establishes quarterly goals and workload indicators during its budgetary process. The Section 8 Department maintains statistics on key performance categories in all programs. Quarterly status reports and workload indicators are reported to the President and CEO and to the Board of Commissioners.

15.4 Quality Control

As part of its annual budgetary process, the Section 8 Department determines what percentage of contracts, annual reexaminations, inspections, vacates and other administrative actions must be reviewed on a monthly basis. Monthly reports of completions and backlogs in administrative actions are provided to supervisory staff and to the appropriate Assistant Section 8 Director.

15.5 Contract Monitoring

HACLA monitors the performance of owners in those programs for which it has received authorization or jurisdiction from HUD to act as contract administrator. HACLA sends monitors to project sites on a rotating basis to insure compliance with program regulations and equal housing opportunity requirements.

15.6 Monitoring of Services Provided by Special Program Partner Agencies

HACLA monitors the performance of community based, non-profit and other organizations which are under contract or Memorandum of Understanding in any of HACLA Special Programs to insure that the terms of the agreement are being met.

HACLA evaluates the performance of such agencies annually and at the time of the expiration of the contract or Memorandum of Understanding using the community developed Standards of Excellence to determine whether further affiliation with the agency is in HACLA's economic and programmatic best interests and to determine whether the agency is providing an appropriate level of services.

SPECIAL PROCEDURES FOR THE PROJECT-BASED VOUCHER (PBV) PROGRAM

HACLA operates a project-based voucher (PBV) program. This Chapter sets forth HACLA policy for the PBV program as required by regulation. This Chapter does not eliminate any requirements of PBV regulations (24 CFR Part 983).

16.1 Project-based Voucher (PBV) program:

The project-based voucher program consists of vouchers set aside for project-based units in accordance with the Board of Commissioners resolution of February 23, 2006 authorizing the President and CEO to award up to 445 vouchers to project-based units and whatever number of vouchers the Board otherwise determines should be awarded as project-based vouchers in accordance with this Chapter.

16.2 Method of Selecting PBV Owners

HACLA may select owner proposals to provide project-based assistance in one of three ways:

1. Use of a Request For Proposals (RFP) procedure in accordance with Section 16.5, *Process for Selecting Units by Means of a Request for Proposals*, below and other requirements of this Chapter,
2. Selection of a proposal for housing assisted under a federal, state or local government housing assistance, community development, or supportive services program that requires competitive selection of proposals, where the proposal has been selected within three years of the PBV selection date, and the earlier competitive selection proposal did not involve any consideration that the project would receive PBV assistance. Selection must be in accordance with the provisions of this Chapter.
3. Non-competitive selection to attach PBV to HACLA-Owned Projects. Such projects must be identified in the Housing Authority's Agency Plan and in this Chapter.

16.3 Limitations on Housing Types

Regardless of which method is used to select owners, HACLA may limit the types of housing to which it will attach assistance to one or more of the following types: existing housing, rehabilitated housing or new construction.

Any RFP selection process must clearly specify the housing type being sought under the process.

16.4 Requirements for Selecting All Proposals

Before selecting a PBV proposal, HACLA must ensure that the proposal complies with all HUD program regulations and requirements including determinations that:

1. The property is eligible housing in accordance with 24 CFR 983.53 and 983.54, and
2. The property will comply with the cap on PBV units per building (24 CFR 983.56) including the provisions concerning excepted units as defined in this Chapter, and
3. The property meets the site selection standards required by HUD at 24 CFR 983.57, and HACLA site selection standards provided in this Chapter, and
4. The property meets the environmental review requirements of 24 CFR 983.58, and
5. HUD, or an independent entity approved by HUD, has conducted any required subsidy layering review in accordance with 24 CFR 983.55 and determined that the PBV assistance is in accordance with HUD subsidy layering requirements.

16.5 Process for Selecting Units by Means of a Request for Proposals

16.5.1 Method of Selecting Owners

HACLA uses a Request for Proposals (RFP) procedure to solicit owner applications in accordance with its procurement policies as determined by HACLA General Services Department, for non-competitive selections, please refer to Section 16.2. Method of Selecting PBV Owners, of this Administrative Plan.

16.5.2 Additional Program Prerequisites and Selection Criteria

HACLA may add to or delete from the method for selection, selection criteria and proposal content set forth in Section 16.1 as may be needed to conform with HUD requirements and the requirements of this Chapter or to solicit proposals for projects that serve eligible families other than the homeless. HACLA may establish selection criteria for proposers based on other needs of the agency and of the community, including the proposer's responsiveness to local objectives specified by HACLA in the RFP.

16.5.3 Selection Process

HACLA notifies proposers of the recommendations for selected proposals

which will be presented to HACLA Board of Commissioners, including the anticipated date when the Board will take action on the recommendations.

No contract may be executed, no expenditure of funds or obligation to spend funds may be incurred and no program implementation may begin under the RFP process without prior approval of HACLA Board of Commissioners.

16.5.4 Selection of Contractor

The owner is responsible for selecting any contractor required to carry out the rehabilitation or construction specified by any Agreement to Enter Into Housing Assistance Payments Contract (AHAP). Only licensed contractors are allowed.

All contractors and subcontractors must comply with HACLA's affirmative action policy for Minority-owned Business Enterprises (MBE), for Women-owned Business Enterprises (WBE) and with the requirements of Section 3 of the Housing and Urban Development act of 1968 as set forth in Section 2.7, *Objective VII: Training, Employment and Contracting Opportunities For Businesses (MBE/WBE & Section 3 Requirements)*, of this Administrative Plan.

If necessary, owners may bid out the construction. In such cases the owner must distribute bid packages to the City of Los Angeles Office of Contract Compliance and Public Works Affirmative Action.

All contracts must stipulate that any change in the contract or work write-up must be in writing and must be approved by HACLA. All contracts and subcontracts must comply with, and contain the language required by, the Agreement to Enter Into Housing Assistance Payments Contract.

16.6 Process for Selecting Units Based on Prior Competitive Selection

16.6.1 Units Available at the President and CEO's Discretion

The following procedures apply to the initial 445 units approved by HACLA Board of Commissioners on February 23, 2006 for award of PBV assistance at the discretion of the President and CEO.

An owner may make a proposal for project-based voucher assistance in accordance with this Chapter by presenting a written proposal to HACLA Section 8 Special Programs Operations Applications (SPOA) Office or successor office. The Manager of that office shall review all proposals and seek written clarifications as may be needed.

If the Manager ascertains that the proposal meets all the requirements of this Chapter and the appropriate requirements of the Project-based Voucher regulations (24 CFR Part 983), he shall forward the proposal with his written

approval for review by the Section 8 Director. If the Section 8 Director approves the proposal, it shall be forwarded to the Executive Office for review and approval by the President and CEO.

HACLA counsel shall review and approve any Agreement to Enter into HAP Contract and any PBV Contract prior to execution by the President and CEO.

16.6.2 Procedure for Selection of Additional Units

Beyond the 445 units noted in Section 16.1 above, additional PBV units may be awarded only by HACLA Board of Commissioners after the review and approval of the President and CEO.

16.7 Units Selected based on Non-competitive Selection to Attach PBV to PHA-Owned Projects (former Public Housing Units)

HACLA will add the following former public housing units in this manner:

Project	HACLA Role	PBVs added	Work Plan
a) Jordan Downs Area H (New Construction)	Ground Lessor	49	Area H is the third project of the Jordan Downs Redevelopment. This 9% LIHTC new construction project is a 80-unit affordable residential development with a total of 49 Section 8 PBV units, 30 RAD units and 1 Manager Unit. Hard costs are projected at approximately \$360,000 per unit.
b) Jordan Downs Phase S3 (New Construction)	Ground Lessor/ Managing General Partner of the Limited Partner Ownership	48	S3 is the fourth project of the Jordan Downs Redevelopment. This 9% LIHTC new construction project is a 92-unit affordable residential development with a total of 48 Section 8 PBV units, 25 RAD units, 18 Tax Credit only units and 1 Manager Unit. Hard costs are projected at approximately \$430,000 per unit.

Project	HACLA Role	PBVs added	Work Plan
c) Jordan Downs Phase S2 (New Construction)	Ground Lessor/Managing General Partner of the Limited Partner Ownership	58	S2 is the fifth project of the Jordan Downs Redevelopment. This 4% LIHTC new construction project is a 81-unit affordable residential development with a total of 58 Section 8 PBV units, 22 RAD units and 1 Manager Unit. Hard costs are projected at approximately \$315,000 per unit.
d) Jordan Downs Phase H2 (New Construction)	Ground Lessor/Managing General Partner of the Limited Partner Ownership	91	H2 is the sixth project of the Jordan Downs Redevelopment. This 4% LIHTC new construction project is a 195-unit affordable residential development with a total of 91 Section 8 PBV units, 23 RAD units, 41 Tax Credit only units, 39 unrestricted units and 1 Manager Unit. Hard costs are projected at approximately \$320,000 per unit.
e) Rose Hill Courts Phase I (New Construction)	Ground Lessor/Managing General Partner of the Limited Partner Ownership	77	This project is the first phase of the Rose Hill Courts Redevelopment. This 4% LIHTC new construction project is a 89-unit affordable residential development with a total of 77 Section 8 PBV units, 11 RAD units and 1 Manager Unit. Hard costs are projected at approximately \$393,000 per unit.
f) Rose Hill Courts Phase II (New Construction)	Ground Lessor/Managing General Partner of the Limited Partner Ownership	95	This project is the second phase of the Rose Hill Courts Redevelopment. This 4% LIHTC new construction project is a 96-unit affordable residential development with a total of 95 Section 8 PBV units and 1 Manager Unit. Hard costs are projected at approximately \$377,000 per unit.

Project	HACLA Role	PBVs added	Work Plan
g) Pueblo Del Sol Phase I (Rehabilitation)	Ground Lessor/ Managing General Partner of the Limited Partner Ownership	88	The mixed finance Pueblo Del Sol Phase I project is a 201-unit existing affordable residential development comprising 120 PH units and 80 Tax credit only units. It will undergo an acquisition/ resyndication/rehabilitation/RAD conversion with 4% LIHTC and Tax Exempt Bonds. 112 PH units will converted under RAD, while 8 PH units will be converted to Section 8 under the de minimis reduction. Section 8 PBVs will be layered on up to 80 Tax Credit-only units after determining that the units are occupied by income eligible families who will not experience any increase in rents. Hard costs are projected at approximately \$75,000 per unit.
h) Pueblo Del Sol Phase II (Rehabilitation)	Ground Lessor/ Managing General Partner of the Limited Partner Ownership	63	The mixed finance Pueblo Del Sol Phase II project is a 176-unit existing affordable residential development comprising 122 PH units and 53 Tax credit only units. It will undergo an acquisition/ resyndication/rehabilitation/RAD conversion with 4% LIHTC and Tax Exempt Bonds. 112 PH units will converted under RAD, while 10 PH units will be converted to Section 8 under the de minimis reduction. Section 8 PBVs will be layered on up to 80 Tax Credit-only units after determining that the units are occupied by income eligible families who will not experience any increase in rents. Hard costs are projected at approximately \$75,000 per unit.
i) Rancho San Pedro Offsite – 327 N. Harbor Blvd.	Ground Lessor and Special Limited Partner of	46	327 N. Harbor Blvd. will provide 46 replacement units for the residents of the first onsite phase of Rancho San Pedro.

	<p>Limited Partner Ownership</p>		<p>Financing for this new construction project may include tax-exempt bonds, LIHTC, HCD IIG funds. The project will include 37 PBV units and 9 RAD units for a total of 46 affordable units plus one manager’s unit.</p>
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PBV projects on former public housing sites are exempt from both the 20% cap on authorized voucher units assisted by PBV and the cap on PBV units per project required by 24 CFR 983.56.

16.8 Cap on Total Number of PBVs (PBV Percentage Limitation or Program Cap)

In addition to the generally-available Program Cap of 20% of the authorized voucher units for an agency, HACLA will designate units available for the additional 10% of voucher units made available under the PBV statute for homeless individuals and families, families with veterans, units that provide supportive housing to persons with disabilities or elderly persons, or units that are located in a census tract with a poverty rate of 20 percent or less. HACLA will designate such units in a manner that results in maximum use of the additional 10% of voucher units for PBV and thus maximize flexibility for HACLA to utilize PBV. With respect to units that provide supportive housing to persons with disabilities or elderly persons, HACLA will determine the types of services for a project’s units to qualify for the exception and the extent to which such services will be provided in the same manner as this Administrative Plan states below with respect to excepted units, or as provided in Section 3.2.1.1.3.

16.9 Cap on PBV Units in a Project (Income-Mixing Limitation or “Project Cap”)

HACLA does not impose any additional cap on PBV assistance other than the 25 percent per project cap required by 24 CFR 983.56.

HACLA may provide assistance to all units in single-family dwellings (a building with no more than four dwelling units).

HACLA may provide PBV assistance to excepted units (units in excess of 25 percent of the total units in a project) occupied by qualified families.

Excepted units are units above the 25 percent limit that have been physically described and designated in the PBV Contract to be occupied by the following qualified families:

1. Elderly families; or
2. Families enrolled in HACLA, or a HACLA-approved, FSS program; or

3. Families who are receiving other supportive services defined below; and
4. Families who have completed their FSS requirements or supportive services requirements but who remain in the assisted unit.

For purposes of the determining the cap on PBV units in a project, the term “project” means a single building, multiple contiguous buildings or multiple buildings on contiguous parcels of land, as HACLA determines appropriate with respect to individual Housing Assistance Payments Contracts.

16.10 Supportive Services

In addition to HACLA or HACLA-approved FSS programs, the following types of supportive services can meet the supportive services requirement for an excepted unit:

- Case management
- Alcohol or drug abuse services
- Mental health services
- HIV / AIDS related services
- Employment training and counseling
- Economic self-sufficiency
- Post-secondary educational programs
- Childcare
- Classes on parenting
- General education classes (including computer classes)
- English as a Second Language (ESL) classes
- Classes on life skills
- Obtaining & retaining government, financial & medical benefits
- Behavior assessments
- Transportation assistance and services
- Financial literacy
- Nutrition
- Family counseling
- Government & community resources
- General health care and services
- Legal services
- Leadership development

16.11 Extent of Supportive Services

The supportive services may be provided directly by the owner or by independent agencies. The type of supportive services to be provided shall be indicated in the PBV Contract. In an enforceable attachment to the PBV Contract, the owner must specify the type of supportive services to be provided, the frequency with which they will be provided and, if appropriate, a time frame by which the family must complete the supportive service requirements.

The owner must provide, and a family must agree to participate in, at least 3 supportive services to meet the supportive services requirement for an excepted unit. HACLA must approve the level of effort and frequency of service to be provided.

The owner must provide documentation of a family's continued participation in supportive services until such time as the family meets its supportive services requirement.

16.12 Supportive Services Statement of Family Responsibility

If families will be provided FSS services, the family must complete an FSS Contract of Participation.

If families will be provided other than HACLA FSS services, the head of household and the owner or owner's representative must sign a supportive services statement of family responsibility that is approved and counter-signed by HACLA.

The statement of family responsibility will indicate what supportive services will be provided to the family, which family members must participate in the supportive services and the degree and length of participation required. The family and owner will, by signing the statement of responsibility, acknowledge that failure to meet the supportive service requirements will result in termination of the family's participation in the Section 8 program.

16.13 Monitoring Supportive Services

HACLA shall monitor supportive services being provided to families under the PBV Contract and in accordance with supportive services statements of family responsibility. HACLA shall conduct an annual audit of each family's participation in supportive services at the time of the family's annual reexamination.

The owner shall provide HACLA with proof that the family has participated in all supportive services required by the statement of responsibility.

If supportive services are provided by agencies independent of the owner, the owner shall provide HACLA annually, at the anniversary of the contract, documentation showing that the agency has provided the services required.

For services to be provided on the site, HACLA shall conduct an onsite review of the services and facilities annually at the anniversary of the PBV Contract.

16.13.1 Owner Failure to Provide Supportive Services

If the owner fails to meet the supportive service requirements of the PBV

Contract, HACLA shall allow the owner 60 days to reinstate the required services. If the services are not reinstated within 60 days, HACLA shall terminate the PBV Contract for the excepted units upon 60 days notice to the owner.

16.13.2 Change in Supportive Service Requirements

The owner may negotiate with HACLA to change the supportive service requirements of an ongoing contract through a contract amendment, but the owner must continue to meet the requirements of Section 16.11, *Extent of Supportive Services*, above.

16.13.3 Family's Failure to Meet Supportive Service Requirements.

If a family residing in an excepted unit fails without good cause to fulfill its supportive services requirement, the family shall be terminated from the PBV program. The family shall receive the normal 30-day opportunity to request an informal hearing prior to any such termination.

HACLA shall notify the owner of its intention to terminate the family at the same time it notifies the family.

If the family is terminated due to its failure to meet supportive service requirements, the family shall not be provided tenant-based assistance. Any existing application for tenant-based assistance will remain on file and will be processed in normal sequence.

16.14 Site Selection Policy and Compliance with PBV Goals

Sites selected for PBV assistance must be consistent with the statutory goals of deconcentrating poverty and expanding housing and economic opportunities and must be consistent with HACLA's Agency Plan.

The owner of a proposed PBV site must, therefore, establish conclusively that the site meets at least one of the following criteria:

1. The census tract in which the proposed PBV development will be located is in a HUD-designated Enterprise Zone, Economic Community, or Renewal Community.
2. The proposed PBV development is located in a census tract where the concentration of assisted units will be or has decreased as a result of public housing demolition.
3. The census tract in which the proposed PBV development will be located is undergoing significant revitalization. A site will meet this criteria if the census

tract is located wholly or partially or is immediately adjacent to one of the following areas:

- A Federal Empowerment Zone
 - A State of California Enterprise Zone
 - A Community Redevelopment Project, Earthquake Assistance Project or Revitalization Project designated by the Community Redevelopment Agency of the City of Los Angeles;
 - Any designated Brownfield Initiative site or Showcase Community site or successors to these designated sites;
 - Any other federal, state or locally designated areas whose purpose is to revitalize the community.
4. State, local or federal dollars have been invested in the area that has assisted in the achievement of the statutory requirement.
 5. New market rate units are being developed in the same census tract in which the proposed PBV site will be located and the owner can establish the likelihood that such market rate units will positively impact the poverty rate in the area.
 6. The poverty rate in the census tract in which the proposed PBV development will be located or the City Planning Area in which the PBV development will be located is less than 20 percent according to the latest Decennial Census or is less than the City-wide poverty rate as set forth in Section 2.12.2, *Areas of Poverty Concentration*, of this Administrative Plan, whichever is greater.
 7. If the poverty rate in both the census tract in which the PBV development will be located and the City Planning Area in which the PBV development will be located is greater than 20 percent according to the latest Decennial Census, whether a more recent federal, state or local determination of the poverty rate shows that the poverty rate has declined over the past five years.

The owner must additionally indicate whether there are meaningful opportunities for educational and economic advancement in the census tract or any contiguous census tracts.

16.14.1 Additional Requirements for all PBV Housing

The owner must certify and HACLA must determine that the site is suitable from the standpoint of facilitating and furthering full compliance with the applicable provisions of Title VI of the Civil Rights Act of 1964 (see 24 CFR part 1), Title VIII of the Civil Rights Act of 1968 (see 24 CFR parts 100 through 199),

Executive Order 11063 (see 24 CFR part 107), and the section 504 site selection requirements described in 24 CFR 8.4(b)(5).

Prior to signing a PBV contract, HACLA must determine that units to be covered by the contract or contract stage have passed an HQS inspection.

16.14.2 Additional Requirements for Existing and Rehabilitated Housing

For existing and rehabilitated housing the owner must establish that the proposed PBV site meets all the site and neighborhood standards of 24 CFR 983.57(d) in addition to meeting the other criteria of Section 16.14, *Site Selection Policy and Compliance with PBV Goals*.

16.14.3 Additional Requirements for New Construction

For new construction the owner must establish that the proposed site meets the standards of 24 CFR 983.57(e) *New construction site and neighborhood standards* in addition to meeting the other criteria of Section 16.14, *Site Selection Policy and Compliance with PBV Goals*.

16.15 How HACLA Site Selection Policy Promotes PBV Goals

HACLA believes that providing PBV-assisted units under a HAP contract will almost always of itself expand housing opportunities for low income people. PBV units located in areas of higher poverty will provide families already residing in that area with decent, safe and affordable housing which may not be available in the area. Units located in areas of low poverty provide low income families affordable housing in areas more likely to promote their self-sufficiency and provide a supportive living environment.

In addition, HACLA relies on HUD's published determinations that meeting any of the seven criteria of Section 16.14 above promotes the PBV goals of deconcentrating poverty and expanding housing and economic opportunities.

1. HUD-designated Enterprise Zones, Economic Community and Renewal Community Zones are eligible to share billions of dollars in tax incentives to stimulate job growth, promote economic development and create affordable housing. HUD has indicated that these goals are consistent with the goal of deconcentrating poverty and expanding housing and economic opportunities for thousands of Americans.
2. A reduction in the number of low-income housing units in a census lowers the poverty rate of the project area thus deconcentrating poverty. Placement of PBV units in such areas retains housing opportunities for low-income families in improving areas. HUD has indicated in its Notices of Regulatory Waivers that locating PBV assistance in an area in which there

was a reduction in the number of assisted low-income housing units in the census tract was consistent with the goals of deconcentrating poverty and expanding housing and economic opportunity. See the following HUD waivers: Federal Register 3/11/2004, page 11733, column 1; Federal Register 1/12/2005, page 2239, column 2; Federal Register 11/7/2005, page 67565, column 1; Federal Register 2/17/2006, page 872, column 2.

3. HUD has indicated in its Notices of Regulatory Waiver Requests granted between 2002 and 2005 that locally designated renewal, enterprise and redevelopment and revitalization areas have goals that are consistent with the goal of deconcentrating poverty and expanding housing and economic opportunities for thousands of Americans. Federal Empowerment Zones, California Enterprise Zones, Community Redevelopment Projects, Brownfield, Showcase Community and other revitalization projects are created to bring new business ventures to an area, revitalize decaying or stagnant economies, and encourage the construction and/or rehabilitation of housing or the provision of affordable housing. Placement of a PBV site in such areas is consistent with the goals of deconcentrating poverty and expanding housing and economic opportunities.
4. HUD has similarly noted in its Notices of Regulatory Waiver Requests granted between 2002 and 2005 that siting PBV assistance in an area in which public or private investment that contributes to the statutory goals has been or will be made meets the goals of deconcentrating poverty and expanding housing and economic opportunities. State and local government expenditures and activities that provide incentives to businesses to locate or expand in the project area provide additional economic opportunities for families at the project site. These local incentives frequently include loans, grants, financing assistance and other local assistance for families to improve existing housing. They also provide for upgrades in infrastructure that lead to economic improvement in the area. Locating PBV-assisted housing in such areas allows the residents to take advantage of emerging business and economic opportunities. See the following HUD waivers: Federal Register 10/10/2002, page 63218, columns 2 and 3; Federal Register 3/19/2003, page 54943, columns 2 and 3; Federal Register 4/27/2003, page 16917, column 2 and page 16918, column 1; Federal Register 3/11/2004, page 11733, column 3; Federal Register 11/4/2004, page 64457, column 2; Federal Register 11/7/2005, page 67565, column 3;
5. New market rent units being developed in an area and increases in the sales prices of current market rent units are indicators that an area is moving toward the statutory goal of deconcentrating poverty. Both of these indicate that the area is shifting toward a lower poverty area. Locating PBV assisted units in such upwardly mobile areas is consistent with deconcentrating poverty and expanding housing and economic opportunity

by creating and retaining affordable housing in the area. See the following HUD waivers: Federal Register 8/23/2002, page 54725, column 1; Federal Register 3/11/2004, page 11732, column 3; Federal Register 2/17/2006, page 8773, column 1 and page 8775, column 2.

6. The goal of deconcentrating poverty and expanding housing and economic opportunities is similarly met in the City of Los Angeles if selected sites will be located in areas in which the poverty rate is lower than the overall poverty rate of the City of Los Angeles, or the site is located in an area in which poverty has been shown to have decreased within the last 5 years. Locating a PBV-assisted building in such areas deconcentrates poverty directly.

Meeting one of the six specific criteria of Section 16.15 above, and the requirements of Section 16.14.1 or Section 16.14.2 will insure that project-based assistance at the proposed site is consistent with the PBV goal of deconcentrating poverty and expanding housing and economic opportunities.

16.16 HACLA Determinations for Existing and Rehabilitated Housing

HACLA must determine by physical inspection of the site that it is adequate in size, exposure and contour to accommodate the number and type of units proposed and that adequate utilities and streets are available to service the site.

HACLA must determine by examining the owner's proposal, and based on its knowledge of the proposed site and area, that selection of the site will promote greater choice of housing opportunities.

HACLA will ensure that the site will avoid an undue concentration of assisted persons in areas that contain a high proportion of low-income persons. HACLA must, however, take into consideration that areas designated as revitalization, redevelopment, enterprise and empowerment zones as well as HUD designated Enterprise Zones, Economic Communities, or Renewal Communities will more than likely already contain a large number of low-income persons and that providing affordable housing that is decent, safe and sanitary in these areas can leverage such families out of poverty and expand housing and economic opportunities especially if the PBV site will provide supportive services.

HACLA will ensure that the site is accessible to social, recreational, educational, commercial, and health facilities and services that are at least equivalent to those typically found in neighborhoods consisting largely of unassisted, standard housing of similar market rents.

HACLA will evaluate whether travel time and cost via public transportation or private automobile to places of employment providing a range of jobs for low income workers is excessive. HACLA considers one-way travel time of one hour for public transportation and of 45 minutes for private automobile not to be

excessive in the City of Los Angeles.

16.17 PHA-owned Units

HACLA must follow all program regulations for HACLA-owned housing including requirements for selection, inspection, and determination of initial and ongoing rents. See especially 24 CFR 983.59 and 983.103 in this regard.

16.18 Term of PBV Contracts

The initial term of the Housing Assistance Payments (HAP) PBV master contract with the owner may be up to 20 years per PIH Notice 2017-21. The term of the contract must be subject to the future availability of sufficient appropriated funding under HACLA's ACC.

At HACLA's sole option and upon the request from the PBV owner within six months before the expiration of the contract, the PBV Contract may be extended, but always contingent upon the future availability of appropriated funds and the contractor's satisfactory PBV program performance, for such periods as HACLA deems appropriate and in accordance with HUD regulations and instructions, HACLA may agree to contract extensions of up to twenty years. HACLA may grant such a contract extension in the initial HAP contract or at any time during the contract term, provided that a maximum of one such extension may be included in the initial HAP contract (resulting in a maximum term of forty years). To grant such extensions, HACLA must determine that the extension of the contract is appropriate to achieve long-term affordability of the housing or to expand housing opportunities. In addition, extensions beyond 20 years from the end of the initial term must be made no earlier than 24 months prior to the expiration of the HAP contract and their terms may not exceed 20 years in each instance.

16.19 Agreement to Enter into HAP Contract (AHAP)

For new construction or rehabilitated housing, the owner must provide HACLA with the minimum required evidence of housing completion described in 24 CFR § 983.155(b)(1). HACLA also requires that the owner submit a City of Los Angeles Certificate of Occupancy for all units covered by the AHAP as evidence of housing completion, pursuant to 24 CFR § 983.155(b)(2). At HACLA's the discretion, a Temporary Certificate of Occupancy or other evidence that the units comply with local requirements including, but not limited to, code, fire, habitability, and zoning requirements may be submitted as evidence of housing completion. HACLA shall not enter into any PBV Contract for any rehabilitated or newly constructed units until evidence of housing completion has been received.

16.20 Inspection Before a PBV Contract Is Executed or Amended

The following applies for inspection before a PBV Contract is executed or amended:

1. All units in an existing PBV building to be covered by the PBV Contract (or contract stage) must meet Housing Quality Standards.
2. All new construction or rehabilitated units must have received a Certificate of Occupancy from the City of Los Angeles and must have passed an HQS inspection.
3. All units to be added to a PBV Contract or to be substituted for units already contracted must pass an HQS inspection prior to amending the PBV Contract.

For units selected based on non-competitive selection to attach PBV to PHA-Owned Projects (See Section 16.7 of this Administrative Plan), it is considered that the unit substantially complies with HQS if the unit passed an HQS inspection before the HAP contract is executed.

16.21 Stages and Additional Units

The initial PBV Contract for a project may specify that units be placed under contract in stages provided that the total number of units to be placed in stages has been documented in the initial contract.

HACLA and the owner may agree to add eligible units to a PBV Contract without competition at any time, provided that (1) HACLA staff will provide a rationale to the Board of Commissioners for adding PBVs to a specific contract, and (2) caps on the percentage of vouchers that may be PBV units and on per-project percentage of PBV units are not violated. The annual anniversary and expiration dates for added units are the anniversary and expiration dates for units initially placed under HAP contracts.

HACLA will not add additional units, whether excepted or not, to the number specified in the original contract except by prior written authorization of HACLA Board of Commissioners.

16.22 PBV Contract Amendments to Substitute Contract Units

At HACLA's sole discretion the PBV Contract may be amended to substitute a different unit with the same number of bedrooms in the same building for a previously covered contract unit. Prior to such substitution the proposed unit must pass a HACLA HQS inspection and a reasonable rent must be determined. The rent for the substituted unit shall be no higher than the rent for the unit removed from the PBV Contract.

Such substitution may be the result of HACLA's termination of participation for a family that has not met program requirements but which the owner will allow to

remain in the unit without PBV assistance.

16.23 Assistance to Families Upon Contract Termination by Owner

If the owner terminates the PBV Contract because the amount of rent to the owner for any contract unit, as adjusted in accordance with 24 CFR 983.302, is reduced to an amount lower than the amount of the initial rent to the owner at the beginning of the PBV Contract, HACLA must provide all assisted families residing in the contract units with tenant-based voucher assistance.

16.24 Housing Quality Standards

HACLA applies the same housing quality standards to PBV housing as to tenant-based housing. See especially Section 11.11, *Inspection Standards*, of this Administrative Plan for special HACLA HQS criteria variations.

In conducting PHA supervisory quality control HQS inspections, HACLA must include a representative sample of PBC and PBV units. 24CFR 983.103 (e)(3)

16.25 Biennial and Other Inspections of PBV units

HACLA shall schedule biennial inspections in accordance with 24 CFR 983.103 for at least 20 percent of the PBV contract units in each building. HACLA will draw its random sample of 20 percent from all units covered under the PBV Contract regardless of whether or not the unit has been recently inspected. Wherever possible, HACLA will stagger its inspections so that the 20 percent of units will be inspected over a 3-month period to allow the owner adequate time to make repairs on the units.

If more than 20 percent of the randomly selected units fail the initial inspection, HACLA will schedule inspections for all of the remaining 80% of units within the next three months unless a unit has already been inspected as a turnover unit and passed inspection within the last three months.

HACLA shall inspect each PBV unit at turnover prior to authorizing approval for another family to lease the unit. The unit must pass inspection in order for the owner to receive any HAP in connection with a new lease. No payment shall be made retroactive to a passed pre-lease inspection.

HACLA shall conduct inspections at the request of the family or the owner to insure compliance with HQS.

HACLA may conduct additional inspections as it deems necessary to insure compliance with HQS.

16.26 Family Responsibility for HQS in the PBV Program

Whereas in the PBC program the owner is responsible for correcting all HQS deficiencies (PBC rule 24 CR 983.204), in the PBV program, the family is required to correct any HQS deficiency caused by the family in accordance with 24 CFR 983.103(e)(2) and 982.404(b).

16.27 Inspection Requirements, Correction of Deficiencies, HACLA Remedies

All provisions and timeframes concerning inspection and HQS requirements, correction of deficiencies and HACLA remedies provided in Chapter 11, *Owners, Contracts, Inspections, Claims*, of this Administrative Plan apply to the PBC and PBV programs unless otherwise indicated in this Chapter. If there is a discrepancy between this Chapter and Chapter 11 of the Administrative Plan, the provisions of this Chapter shall prevail.

16.28 Abatements and Terminations - PBV Contracts

If a PBV unit has been abated more than 30 days due to a deficiency that is not the fault of the tenant, HACLA may grant an additional extension of not more than 60 days for the owner to bring the unit into compliance. If the owner has not brought the unit into compliance within 90 days of the initial abatement, HACLA shall terminate the failing unit from the PBV Contract upon at least 30 days notice to the owner.

16.28.1 PBV Relocation and Substitution for Owner Non-compliance

The owner must relocate the tenant family of any unit about to be terminated due to the owner's non-compliance with HQS to another unit of appropriate size covered by the PBV Contract if such a unit is available. If such a replacement unit is not available, HACLA may authorize substitution of a unit on the premises not originally covered by the PBV Contract for the abated unit being removed from the Contract provided that unit being substituted has first passed an HQS inspection.

If a unit cannot be substituted or the family relocated within 90 days of the initial abatement, the family must be provided a tenant-based voucher and the unit is forever forfeited under the PBV Contract. The Contract shall be amended to indicate that the unit cannot be substituted into (or added to) the PBV Contract in the future.

16.28.2 HQS Deficiency Caused by the Family

If a HQS deficiency is the responsibility of the family, HACLA may grant a 30-day extension for the family to correct the deficiency. A copy of the notice shall

be provided to the owner. If the deficiency is not corrected within 30 days, HACLA may grant an additional extension of not more than 30 days for the family or the owner to bring the unit into compliance. HACLA shall also notify the family and the owner that the HAP will be abated effective the first of the month following the expiration of the extension.

If the unit is not in compliance within 60 days of the first failed inspection, HACLA must notify the family and the owner that the family's participation will be terminated within 30 days (but allowing sufficient time to provide the family with a 30-day window in which to request a hearing).

If the unit is not in compliance within 60 days of the first failed inspection, the unit must be abated on the first of the following month. HACLA shall make no payment of HAP on such a unit unless and until the unit passes an HQS inspection. No retroactive HAP shall be allowed for any period of abatement. The owner may, however, apply for vacancy loss to the extent that it is allowed if he evicts the family.

If the family remains in the unit after termination of its participation, HACLA shall terminate the unit from the PBV Contract upon 30 days notice to the owner.

16.29 Program Terminations for Family Action or Inaction Other than HQS

If the family fails to meet program requirements, HACLA may terminate the family's participation in the PBV program. Termination from the program results in a termination of HAP for the contracted unit.

The owner may terminate the tenancy of the family and keep the unit covered under the PBV Contract, or the owner may request to substitute another unit with the same number of bedrooms in the same building for the affected unit and not terminate the family's tenancy in the unit. The request to substitute a unit must be made within 60 days of the termination of family participation.

HACLA may terminate the unit from the PBV Contract if no suitable unit is available for substitution or if a unit is available but is unable to pass an HQS inspection within 60 days of the termination of the family's participation. Any substitution of units requires a contract amendment.

16.30 Determination of Eligibility

All determinations of program and income eligibility shall be made by HACLA. No person shall receive PBV assistance unless determined eligible by HACLA.

16.31 Selection of Participants for PBV Units

Except for families already participating in an assisted housing program operated by HACLA, a family must be income eligible at the time it will be admitted to the PBV program.

A refusal of PBV assistance does not affect the family's position on the tenant-based waiting list. An owner's rejection of a family for admission to the owner's PBV units does not affect the family's position on the tenant-based waiting list.

All families must be screened for criminal histories in accordance with Section 5.20, *PBV and Tenant-based Section 8 Screening* and in accordance with the policies stated in Chapter 13, *Terminations and Denials*, of this Administrative Plan. With respect to the Jordan Downs Redevelopment site only, neither HACLA nor the Owner may screen any household or family with a Declaration of Right to Retain Tenancy. Households displaced by the Jordan Downs Redevelopment, whether pursuant to the RAD Program or otherwise, have the right to return to the redeveloped site. To the extent allowable by law, HACLA will extend this prohibition of rescreening and right to return to any household or family in the same situation at other public housing redevelopment sites.

HACLA does not screen applicants for family behavior or suitability for tenancy. If HACLA refers a family to an owner from its tenant-based waiting list, it shall provide only that information to the owner that is normally provided in the tenant-based program. The owner is responsible for screening all families for family behavior and suitability.

If a unit to be placed under PBV contract is occupied by a family participating in the tenant-based program and that family is otherwise eligible for the PBV unit, the family can be admitted into the PBV program provided that it is willing to enter into a new one-year PBV lease for the unit. If the family is not willing to enter into a new lease, the family must use its voucher to locate other housing.

16.32 Waiting Lists

For the non PSHP-PBV program, HACLA shall maintain a separate waiting list for each PBV site. The PBV owner shall refer families to HACLA for placement on the site-based list. HACLA monitors compliance with this requirement.

For PSHP-PBV projects, in accordance with HUD's guidance and technical assistance, HACLA shall utilize the Coordinated Entry System to fill vacancies for those units designated for homeless or chronically homeless applicants per the requirements of the NOFA under which the project applied and was awarded PSHP-PBV. Alternate, equivalent comprehensive assessment systems, including but not limited to the Department of Health Services internal assessment or the 10th decile triage tool, may also be used with approval of HACLA.

16.32.1 Cross Listing on the Tenant-based Waiting List

If HACLA's tenant-based waiting list is open when a family is placed on the non PSHP-PBV waiting list, the family must also be offered placement on HACLA's tenant-based waiting list in accordance with 24 CFR 982.205(a).

If the tenant-based waiting list is closed at the time a family is placed on the non PSHP-PBV and the family wishes to be on the tenant-based waiting list, the family must make a separate application for tenant-based assistance at such time as applications are being taken.

Placement on the non PSHP-PBV waiting list does not otherwise affect the family's placement on any other waiting list. A family may have a position on more than one waiting list.

16.32.2 Unit Criteria and Preferences

The PBV owner must provide to HACLA any criteria or preferences for occupancy of particular units and must publicly display such criteria or preferences (including the criteria for any excepted units) at the building site and at any location where applications are taken or processed. HACLA must approve any criteria and preferences for occupancy of particular units in writing. Preferences must be provided in accordance with 24 CFR 983.251.

16.32.3 Use of the Tenant-based Waiting List

HACLA must offer to place applicants who are listed on its tenant-based waiting list and who meet PBV requirements on the non PSHP-PBV waiting list.

HACLA may, at any time, solicit interested families from its tenant-based waiting list for placement (cross-listing) on HACLA non PSHP-PBV waiting list.

Upon request of the owner, HACLA may review its tenant-based waiting list and refer to the owner applicants who are disabled or who appear eligible for any special services provided at a particular project. If the owner agrees that a certain applicant family meets the unit criteria, and the family agrees to be placed on the non PSHP-PBV waiting list, HACLA shall place that family on the non PSHP-PBV waiting list.

16.33 Referrals to Accessible PBV Units

If an applicant or participant family in the tenant-based voucher program has need for an accessible unit because it contains a member with a mobility impairment, HACLA may refer the family to any PBV owner with a vacant accessible unit or an accessible unit that is not occupied by a person with disabilities that requires such

a unit. See also Section 17.38, *Overcrowded, Under-occupied and Accessible Units*.

16.34 Filling Vacancies

For non-PSHP building vacancies, the owner will notify HACLA of any vacancy and HACLA will refer to the owner families from HACLA's non PSHP-PBV waiting list. If there are no families on the non PSHP-PBV waiting list, the owner shall either refer a client to HACLA for placement on the non PSHP-PBV waiting list and determination of eligibility, or ask HACLA to solicit families from its tenant-based waiting list for placement on the non PSHP-PBV waiting list.

For PSHP-PBV building vacancies, in accordance with HUD's guidance and technical assistance, HACLA will transition to the following applicant referral process using a phased in approach that takes into account existing partner waitlists and contracts. The Coordinated Entry System must be used to fill at least four out of five vacancies for those units designated for homeless or chronically homeless applicants per the requirements of the NOFA under which the project applied and was awarded PSHP-PBV. Alternate, equivalent comprehensive assessment systems, including but not limited to the Department of Health Services internal assessment or the 10th decile triage tool, may also be used with approval of HACLA. Remaining vacancies are filled with referrals received from partnering agencies who have an MOU or contract with HACLA to submit referrals. HACLA will evaluate the referral process and make changes to the process in order to meet program and utilization objectives.

After the first year of the PBV Contract, if, despite the best efforts of HACLA and the owner, a unit under PBV Contract has remained vacant for more than 120 days after the owner notified HACLA of the vacancy, HACLA shall give notice to the owner of its intent to amend the PBV Contract to reduce the number of contracted units.

If the unit remains vacant for 60 additional (180 consecutive) days, HACLA shall reduce the number of contracted units by subtracting the number of units that have been vacant for such period from the PBV Contract by means of a contract amendment. HACLA shall provide the owner at least 30 days written notice of such reduction.

16.35 Lease Requirements

HACLA requires the owner to use the same (standard) lease as is used for unassisted tenants on the premises. HACLA does not approve or review the owner's lease. However, if an accessible unit under the PBV Contract is offered to an applicant not having disabilities requiring the accessibility features of the unit, the owner must require the applicant to agree (and shall incorporate this agreement in the lease) to move to a non-accessible unit when one is available or

when the accessible unit is needed for another applicant who requires the accessibility features of the unit.

Regardless of the type of lease used, the lease must include the PBV tenancy addendum required by HUD containing word-for-word all provisions required by HUD. The lease must likewise meet all the requirements of 24 CFR 983.256.

16.36 Owner Termination of Tenancy or Refusal to Renew the Lease

If the owner terminates the tenancy for good cause, which shall include failing to move from an accessible unit when required, the family is terminated from the Section 8 program in accordance with Chapter 13, *Terminations and Denials*, of this Administrative Plan.

A family terminated from the PBV program for good cause does not receive a tenant-based voucher. The family must apply or re-apply for Section 8 assistance through normal waiting list procedures. A termination of the lease for good cause does not of itself affect the family's standing or location on HACLA's tenant-based waiting list. However, in accordance with the provisions of Chapter 13, *Terminations and Denials*, it may bar the family from receiving assistance for a certain period of time.

If the owner terminates the tenancy unlawfully or for other than good cause, the family will be provided a tenant-based voucher. In such cases HACLA will immediately remove the unit from the PBV Contract by means of a contract amendment.

16.37 Security Deposit

HACLA does not place any requirements on collection of security deposits. Owners shall comply with state and local laws governing the collection and return of security deposits and payment of any interest on security deposits. The owner shall not collect a security deposit in excess of the local private market practice, or in excess of amounts charged by the owner to unassisted tenants.

HACLA has no liability or responsibility for payment of any amount owed by the family to the owner.

16.38 Overhoused, Underhoused and Accessible Units

If a family occupies a wrong-size unit or a unit with accessibility features that the family does not require, HACLA will notify the family and the owner of this determination and of its intent to terminate assistance for the unit.

In such cases, HACLA will provide the family with a tenant-based voucher unless:

- the owner has available a unit of appropriate size, and

- the family meets any special criteria for the unit, and
- the family wishes to rent the available unit, or
- there is no funding available to issue a tenant-based voucher

For underhoused families, see Section 10.10.3 of this Administrative Plan.

For overhoused families, see Section 10.10.5 of this Administrative Plan.

After issuing a family a tenant-based voucher to locate another unit, HACLA will continue assistance in the PBV unit for the family for as long as the family holds a valid tenant-based voucher. HACLA must terminate PBV assistance for the family at the expiration of the term of the voucher (including any extension granted by HACLA).

If the family refuses the offer of a unit of appropriate size by the owner and/or refuses the offer of voucher assistance, HACLA shall terminate PBV assistance of the wrong-sized or accessible unit within 90 days of the family's refusal and with 60-days notice to the family and owner. Ninety days shall be considered a reasonable period for the family to continue to receive PBV assistance if it has refused offers of other assistance.

16.39 Family Right to Move

In the PBV program, the family has a right to terminate its PBV tenancy after the first year of occupancy under the current lease by providing an appropriate notice to the owner and HACLA. Before providing notice, the family must contact HACLA if it wishes to move with continued assistance. Under such circumstances:

1. HACLA shall conduct a full criminal background check to determine whether the family should be admitted to the regular HCVP in accordance with the requirements of Chapter 13, Terminations and Denials, of this Administrative Plan.
2. The family must meet citizenship and all other requirements to be admitted to the regular HCV program.
3. For families receiving drug and alcohol treatment in the case of current abusers as a condition of living in an excepted unit, the family must agree to be referred to supportive services, if needed.
4. The family is currently in compliance with PBV regulations, including, but not limited to, being in compliance with their supportive service plan.
5. The family is in compliance with their current lease, including, but not limited to, paying their rent on time each month.

The family can vacate the PBV unit once HACLA provides the family with a voucher of appropriate size for the same duration and under the same conditions as it provides vouchers for families in the tenant-based program.

If the family terminates its tenancy before the end of its initial one year term, the

family forfeits its right to tenant-based assistance.

A family or member of the family is not required to give advanced written notice, with a copy to HACLA, of intent to vacate the PBV unit if the family has been living in a unit for less than one year and the family moved to protect the health or safety of a victim of domestic violence, dating violence, sexual assault, or stalking. If tenant-based assistance is not available at this time, HACLA must give the family priority to receive the next available opportunity for tenant-based assistance, even if they have left the unit to protect the family's safety.

If the family wishes to terminate its tenancy but HACLA cannot immediately issue a voucher, the PBV family shall be given priority for the next available voucher notwithstanding any other provision of this Administrative Plan.

For exceptions to the policy regarding family right to terminate its PBV tenancy after the first year of occupancy under the current lease see Section 12.2.2, Exceptions to Limitations on Moving, of this Administrative Plan.

16.40 Excepted Units and Substitution Policy

If a family while a resident of an excepted unit received FSS or other supportive services in accordance with the owner's and HACLA's policy and the PBV Contract and the family completes the FSS or other supportive services requirements, the family may remain in the excepted unit and, for as long as the family remains in the unit, the unit shall be counted as an excepted unit under the terms of the PBV Contract.

If the family no longer meets the criteria for a "qualifying family," that is, if the family does not complete the FSS contract of participation (CoP) or the family fails to meet its supportive services requirement as set forth in the supportive services statement of family obligations, or if the remaining members of a family no longer qualify for elderly or disabled family status, HACLA shall require the family to vacate the unit within 60 days and shall provide a copy of this notice to the owner. The family is not eligible for a tenant-based voucher.

If the family has not vacated the unit within 60 days, HACLA will provide 60 days notice to the family and the owner of its intention to terminate PBV assistance for the family and the unit. If the family still remains in the unit after the HAP has been terminated, HACLA shall notify the owner of its intent to remove the unit from the PBV Contract by contract amendment. The termination shall take effect within 60 days after termination of the HAP.

The owner may offer a substitute unit if he does not wish to evict the tenant, but the substitute unit must be available and pass inspection by the proposed date of the termination of the unit from the PBV Contract. HACLA shall execute a contract amendment to delete the unit from the PBV Contract unless the family has moved

from the unit by that date. If a substitute unit has been designated by the owner and found acceptable by HACLA, the substitute unit may replace the terminated unit by contract amendment.

16.41 Determining the Initial Rent to Owner

The initial rent to owner shall be determined in accordance with 24 CFR Part 983 Subpart G.

16.42 Use of FMRs and Utility Allowances

HACLA will normally use the FMR and utility allowance in effect at the execution of the PBV Contract or in effect at the time of a rent re-determination. However, HACLA may, at its sole discretion, use a payment standard not to exceed 110% of the current FMR or the FMR amounts in effect at any time during the 30-day period immediately before the contract execution or rent re-determination date.

16.43 Re-determining Rent to Owner - Rent Reasonableness

16.43.1 General Requirements

For the PBV program, comparability studies are not required annually, and use of the Form HUD-92273 is not required. When determining comparability at least three comparable units must be used from the private unassisted market and these may include unassisted units in the PBV premises.

16.43.2 Decrease in FMR

Rent to the PBV owner (but not the PBC owner) must be re-determined when there is a five percent or greater decrease in the published FMR. Re-determination requires a comparability analysis for contracted units in addition to a reassessment of whether the contracted units meet the rent caps required by the regulation. If the rent to owner must be decreased, it shall be decreased within 90 days of the publication of final FMRs and with not less than 30 days notice to the owner.

16.43.3 Owner's Request for Rent Increase

16.43.3.1 PBV Program

The Owner may request an increase in rent for units covered by the PBV Contract once annually. The request must be in writing and must be received by HACLA at least 60 days prior to the contract anniversary date. Any increase in rent shall be made effective on the anniversary date of the PBV Contract.

In accordance with 24 CFR 983.302(e), contract year and annual anniversary of the HAP contract is defined as follows:

(1) The contract year is the period of 12 calendar months preceding each annual anniversary of the HAP contract during the HAP contract term. The initial contract year is calculated from the first day of the first calendar month of the HAP contract term.

(2) The annual anniversary of the HAP contract is the first day of the first calendar month after the end of the preceding contract year. The adjusted rent to owner amount applies for the period of 12 calendar months from the annual anniversary of the HAP contract.

Because PBV units are not governed by an annual adjustment factor, they are subject to all applicable provisions of the City of Los Angeles Rent Stabilization Ordinance (RSO) if they fall under the governance of that Ordinance.

Rent to the owner can never exceed the reasonable rent for the unit. In addition, the owner's rent is capped at 110 percent of the applicable Fair Market Rent (FMR) or exception payment standard approved by HUD unless the units are certain tax credit units as determined by the PBV rule.

If the building is covered by rent control, the amount of the rent increase is capped by the RSO. Under these circumstances, a family that is paying the full rent to the owner may, due to the nature of the program, receive more than one increase in the tenant rent in a one-year period, but only one will have been due to an increase in the owner's rent.

Rent increases are not provided retroactively for abated PBV units even if the abatement is due to the actions of the family. A unit is considered to be out of HQS compliance on the date the unit is placed on abatement. An abated unit cannot benefit from an increase in the rent to owner until the date the unit passes an HQS inspection.

16.43.3.2 Other Changes Requiring a Comparability Study

Whenever the PBV contract is amended to substitute or add a unit, HACLA must determine that the rent for the unit is reasonable.

A comparability study is also required whenever HACLA will approve a change in the allocation of responsibility for utilities between the owner and the tenant and whenever there is any other change that might substantially affect the reasonable rent.

16.43.3.3 HACLA-owned Units

In both PBC and PBV programs the amount of rent for any PHA-owned units must be determined by an independent agency approved by HUD which must furnish a copy of the independent entity's determination of rent reasonableness to HACLA and to the local HUD field office.

16.44 Vacancy Payment

16.44.1 Payment for Move-out Month.

In PBV programs, HACLA pays the owner the HAP through the end of the move-out (vacate) month.

To address financial shortfalls and reduce costs in the Section 8 program, HACLA may pay the owner through the date in which the family vacates the unit taking into account a reasonable timeframe, not to exceed seven days, to allow the family to vacate the unit.

16.44.2 Payment for Vacancy Loss

For the PBV program HACLA makes vacancy loss payments in accordance with the following:

If an assisted family moves out of a contracted unit to a unit not under the same PBV Contract, HACLA will pay an amount equal to 80 percent of the monthly rent to the owner for a vacancy period not exceeding 30 days beyond the end of the month in which the unit was vacated. However, if the owner collects any of the family's portion of the rent for the 30 days after the move-out month, such amount shall be deducted from the vacancy payment. Likewise the vacancy payment shall be reduced by any remainder available from the tenant's security deposit after deducting amounts required to satisfy unpaid rent or court-awarded damages as established by a judgment or stipulation made in an eviction action undertaken in accordance with state and local law.

The owner is not entitled to any payment for vacancy loss unless:

- The owner has complied with all provisions of the PBV Contract including the requirement to provide HACLA with a copy of any eviction notice at the same time that the owner gives notice to the tenant;
- the owner gives prompt written notice certifying that the family has vacated the unit;
- the owner certifies that the vacancy is not the fault of the owner and that the unit was vacant during the period for which payment is claimed;
- the owner provides any additional information or substantiation required by HACLA to verify that the owner is entitled to the vacancy payment;
- the owner certifies he/she has taken every reasonable action to minimize the likelihood and length of the vacancy including referring families from the site-based list to HACLA for determination of eligibility.

HACLA will process vacancy loss claims received within 90 calendar days after the move-out date.

To address financial shortfalls and reduce costs in the Section 8 program, HACLA may pay the owner through the date in which the family vacates the unit taking into account a reasonable timeframe, not to exceed seven days, to allow the family to vacate the unit.

16.45 Utility Reimbursement

In both the PBC and PBV programs, if the family is entitled to a reimbursement for utility expenses, HACLA shall pay the utility reimbursement directly to the family by means of a check.

16.46 Rental Assistance Demonstration and Project Based Vouchers Component 1

Where the Housing Authority chooses to convert public housing projects to Rental Assistance Demonstration (RAD) Section 8 Project Based Voucher (PBV) the provisions of this section and its subsections will apply. In the event of a conflict between applicable RAD notices and guidance and the following provisions, applicable RAD notices and guidance apply.

16.46.1 Term of the RAD PBV Contract

The initial contract will be for a period of at least fifteen (15) years (up to 20 years upon request of the Project Owner and with approval by HACLA). Upon expiration of the initial contract, HACLA must offer, and the Owner must accept, renewal of the contract subject to the terms and conditions applicable at the time of renewal and the availability of appropriated funds and the owner's satisfactory RAD PBV program performance, for such periods as HACLA deems appropriate and in accordance with HUD regulations and instructions.

16.46.2 Contract Rents

The initial rent to owner shall be provided by HUD based on the level of public housing capital and operating subsidies and tenant rents, and shall be further constrained by the reasonable rent and as otherwise provided in RAD requirements

16.46.3 Re-determining Rent to Owner - Rent Reasonableness

Contract rents will be adjusted only by HUD's OCAF at each anniversary of the HAP contract, subject to the availability of appropriations for each year of the contract term. The rent to owner may at no time exceed the reasonable rent charged for comparable unassisted units in private market, as determined by the Contract Administrator in accordance with 24 CFR § 983.303. However, the rent to owner shall not be reduced below the initial rent to owner for dwelling units under the initial HAP contract.

16.46.4 Conversion from Public Housing to RAD PBV

At conversion, current public housing households are not subject to rescreening, income eligibility, or income targeting. Consequently, such households will be grandfathered for conditions that occurred prior to conversion but will be subject to any ongoing eligibility requirements for actions that occur after conversion. Once any such household moves out, the unit must be leased to an eligible family. Further, so as to facilitate the right to return to the assisted property, this provision shall apply to current public housing residents of the Converting Project that will reside in non-RAD PBV units placed on a project site that contains RAD PBV units or PBRA units. Such families and such contract units otherwise will be subject to all requirements of the PBV program, except as may be modified by any RAD requirements. Households at project sites converting to RAD who were not public housing residents that will reside in non-RAD PBV units also will be subject to any applicable RAD requirements, to the extent such requirements modify otherwise applicable PBV requirements.

16.46.5 Phase-in of Tenant Rent Increases

If a tenant's monthly rent increases by more than the greater of 10 percent or \$25 purely as a result of conversion, the rent increase will be phased in over 3 or 5 years. For each RAD transaction, HACLA shall specify prior to conversion whether the length of the conversion will be 3 or 5 years.

16.46.6 Termination Notification Requirements for RAD conversions to PBV

The termination procedure for RAD conversions to PBV will require that PHAs provide adequate written notice of termination of the lease which shall not be less than:

- a. A reasonable period of time, but not to exceed 30 days:
 - i. If the health or safety of other tenants, PHA employees, or persons residing in the immediate vicinity of the premises is threatened; or
 - ii. In the event of any drug-related or violent criminal activity or any felony conviction;
- b. 14 days in the case of nonpayment of rent; and
- c. 30 days in any other case, except that if a State or local law provides for a shorter period of time, such shorter period shall apply.

16.46.7 Grievance Process

- a. In addition to reasons that require an opportunity for an informal hearing given in 24 CFR § 982.555(a)(1)(i)-(vi),²⁶ an opportunity for an informal hearing must be given to residents for any dispute that a resident may have with respect to a Project Owner action in accordance with the individual's lease or the contract administrator in accordance with RAD PBV requirements that adversely affect the resident's rights, obligations, welfare, or status.
 - i. For any hearing required under 24 CFR § 982.555(a)(1)(i)-(vi), the contract administrator will perform the hearing, as is the current standard in the program. The hearing officer must be selected in accordance with 24 CFR § 982.555(e)(4)(i).
 - ii. For any additional hearings required under RAD, the Project Owner will perform the hearing.
- b. There is no right to an informal hearing for class grievances or to disputes between residents not involving the Project Owner or contract administrator.
- c. The Project Owner gives residents notice of their ability to request an informal hearing as outlined in 24 CFR § 982.555(c)(1) for informal hearings that will address circumstances that fall outside of the scope of 24 CFR § 982.555(a)(1)(i)-(vi).
- d. The Project Owner provides opportunity for an informal hearing before an eviction.

16.46.8 Establishment of Waiting List

For public housing projects converting to Section 8 assistance through HUD's Rental Assistance Demonstration ("RAD") program, there shall be a preference established on the RAD Waiting List for applicants currently on the Public Housing Waiting List wishing to be added to the RAD or PBV Waiting List for the replacement units. To inform residents on the Public Housing Waiting List about this opportunity, HACLA will mail formal notices to at least the first 5,000 households on the Public Housing Waiting List. Individuals on the Public Housing Waiting List who wish to be added to the RAD Waiting List shall maintain their original public housing application date. If a lottery is utilized, the Public Housing Waiting List applications will be sorted from all other applications and drawn first for available units. Once their numbers have been assigned, the remaining slots will be filled by drawing from the non-Public Housing Waiting List pool.

HACLA considers the best means to transition applicants from the current public housing waiting list as provided by PIH Notice 2019-23 as amended or

superseded from time to time.

16.46.9 Resident Participation and Funding

For public housing conversions to long-term, project-based Section 8 voucher rental assistance contracts, including the Rental Assistance Demonstration, residents will have the right to establish and operate a resident organization for the purpose of addressing issues related to their living environment and be eligible for resident participation funding. Project Owners must provide \$25 per occupied replacement PBV unit annually for resident participation, of which at least \$15 per occupied unit shall be provided to the legitimate resident organization at the property.

16.47 Rental Assistance Demonstration and Project Based Vouchers Component 2

Where HACLA chooses to convert Section 8 Moderate Rehabilitation projects (Mod-Rehab), including Single Room Occupancy (SRO) units to Rental Assistance Demonstration (RAD) Section 8 Project Based Voucher (PBV) the provisions of this section and its subsections will apply.

16.47.1 Eligible Units

For RAD PBV conversions, all units that are occupied at the time of expiration or termination of the Mod-Rehab – SRO contract are eligible for conversion under RAD.

HACLA makes the final determination of eligibility to be included on the PBV HAP; this includes a determination that the household is income eligible for the PBV program and that the tenant's total payment (TTP) of rent does not exceed the contract rent at the project.

16.47.2 Relocation and Right to Return

Under RAD, any resident residing in the property prior to conversion has a right to remain in, or in the event that rehabilitation will result in the relocation of residents, return to an assisted unit at the Covered Project.

16.47.3 Site Selection and Neighborhood Standards

Where an owner is planning to convert assistance under RAD, the owner must comply with all applicable site selection requirements, including those of the PBV 24 CFR § 983.57, the Fair Housing Act and Title VI of the Civil Rights Act of 1964, including implementing regulations at 24 CFR § 1.4(b)(3), and of Section 504 of the Rehabilitation Act of 1973, including implementing regulations at 24 CFR § 8.4(b)(5).

16.47.4 Change in Unit Configuration

Owners may change the unit configuration following conversion (e.g., combine SRO units into efficiencies or one-bedroom apartments). However, the Owner must ensure that the change in bedroom distribution will not result in the involuntary permanent displacement of any resident (see Section 16.9.2 of this Administrative Plan) and will not result in discrimination based on race, color, national origin, religion, sex, disability, or familial status. For SRO projects that are converting, such changes will require a letter of support from the Continuum of Care (CoC) in which the project participates.

16.47.5 Term of the RAD PBV Contract

The initial contract will be for a period of at least twenty (20) years. Upon expiration of the initial contract, at HACLA's sole option, the RAD PBV Contract may be extended, but always contingent upon the future availability of appropriated funds and the contractor's satisfactory RAD PBV program performance, for such periods as HACLA deems appropriate and in accordance with HUD regulations and instructions. HACLA must determine that the extension of the contract is appropriate to achieve long-term affordability of the housing or to expand housing opportunities. HACLA may renew PBV contracts in five year increments up to an aggregate total of 15 years.

16.47.6 Initial Contract Rents

The initial rent to owner shall be determined in accordance with 24 CFR Part 983 Subpart G. Initial contract rents cannot exceed the lower of:

- (a) the reasonable rent,
- (b) an amount determined by HACLA, not to exceed 110 percent of the applicable FMR minus any utility allowance, or
- (c) the rent requested by the owner.

For RAD conversions, HUD is waiving 24 CFR § 888.113(f)(2) and establishing the alternative requirement that the applicable FMR used for SRO units for initial and re-determined rents shall be the zero bedroom (efficiency) FMR.

16.47.7 Re-determining Rent to Owner - Rent Reasonableness

The rent to owner will be re-determined in accordance with 24 CFR 983.302. The rent to owner may be re-determined at the owner's request for a rent increase at the annual anniversary date of the HAP contract. The rent to owner is also re-determined at such time when there is a five percent or greater decrease in the published FMR. Re-determined rents may result in a downward adjustment in certain circumstances, however, PHAs may elect in the HAP

contract to establish the initial contract rent as the rent floor as described in 24 CFR 983.302(c)(2).

16.47.8 Under-Occupied Units

Otherwise-eligible households of two or more individuals occupying a unit determined by HACLA under HUD regulations to be under-occupied shall, upon conversion to PBV, be allowed to remain in those units until such time as an appropriate-size unit becomes available in the project. This protection also extends to single elderly and disabled individuals regardless of the unit size. When an appropriate-size unit becomes available, the family living in the oversized unit must move to the appropriate-size unit within a reasonable time, as determined by HACLA. If the unit size required by the family does not physically exist at the project, the family shall remain in its current unit unless and until a more appropriate-size unit is available. If or when a smaller-size unit becomes available, the family must move to the smaller-size unit.

16.47.9 Limitation on Screening for Residents upon Conversion to RAD PBV

At conversion, current households are new admissions into the PBV program. However, as a condition of participation in the Demonstration, HACLA may only screen households for the mandatory screening requirements established by statute and may not apply any other discretionary screening requirements.

16.47.10 Homeless Preference for SRO Conversion to RAD PBV

The preference for the homeless must apply to individuals or families that fall within the definition for homeless established by the McKinney-Vento Homeless Assistance Act as amended by the HEARTH Act and contained in the Continuum of Care Interim Rule at 24 CFR § 578.3, unless the CoC provides a letter of support to cover a homeless population not included in that definition.

16.47.11 Resident Notification

The owner is required to notify residents in writing of its intent to participate in the Demonstration and to hold two meetings with residents.

16.48 Requests for Reasonable Accommodation

If HACLA approves a reasonable accommodation that would require the family to move to another unit, the family may be transferred between PBV units within the same building or under the management of the same PBV owner serving the same target population without losing the family's Section 8 subsidy. If an accommodation is required but the owner does not have a suitable unit available,

the family may then be transferred to a PBV unit managed by another owner participating in the PBV program and serving the same target population without losing their Section 8 subsidy. If no adequate PBV unit is available, HACLA may issue the family a tenant-based Housing Choice Voucher as a reasonable accommodation if funding is available.

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Chapter 17 USE OF SECTION 8 ADMINISTRATIVE FEE RESERVE

All expenditures from the Section 8 Administrative Fee Reserves shall be made only in accordance with part XV, *Section 8 Operating Reserves*, of Section 107.2 of the HACLA Manual of Policy and Procedure which is reproduced below. The term “Administrative Fee Reserve” should be read in place of the term “Operating Reserves” wherever it occurs below.

HACLA Manual of Policy and Procedure

**107:2
Policy**

BUDGET OPERATIONS

XV SECTION 8 OPERATING RESERVES

- A. The Board of Commissioners shall establish the permitted uses of earned administrative fees at the time of the Annual Consolidated Operating Budget approval. The approval shall consist of the use of administrative fees for the Section 8 program administration, and amounts allocated for the central office operations and other housing programs.
- B. The President and CEO shall propose the appropriate use of earned administrative fees through the finance Committee of the Board. The proposed uses shall be for “other housing purposes consistent with the PHA’s authorities under State and local law.” The priority for the use of the Operating Reserve shall be as follows:
 - 1. Section 8 Administrative costs that exceed earned administrative fees for a fiscal year;
 - 2. Projected costs of the efficient and effective program administration.
- C. The President and CEO shall insure that Section 8 operating reserves are not used for the following purposes:
 - 1. Chief elected official expenses;
 - 2. Contributions and donations unless in direct connection with provision of housing or housing related services;
 - 3. Disallowed, ineligible, or unsupported costs. Costs that are disallowed as a result of audits are unallowable unless spent for legitimate housing purpose

Chapter 17: USE OF SECTION 8 ADMINISTRATIVE FEE RESERVE

consistent with PHA authorities under State and local law and approved by the Housing Authority Board;

4. Fines and penalties;

5. Legislative Expenses (salaries and other expenses of state or local government body);

6. Costs for non-housing purposes.

D. The President and CEO may authorize allowable use of Section 8 operating reserve funds not in excess of \$25,000 for a specific item, or \$100,000 in the aggregate.

The Board of Commissioners must approve the expenditure of Section 8 operating reserves in excess of \$25,000 for a specific item or \$100,000 in the aggregate. Each Board approval shall require an affirmative determination that the expenditures are necessary and reasonable for housing purposes consistent with PHA authorities under State and local law.

HACityLA-MANUAL OF POLICY AND PROCEDURE

4/91

Chapter 18 SPECIAL PROCEDURES FOR THE SECTION 8 HOMEOWNERSHIP PROGRAM

18.1. Program Purpose

The HACLA supports programs and activities to support self-sufficiency for its clients. To meet this objective, the HACLA exercises the option under the Section 8 regulations (24 CFR 982.625 et seq.) to allow the use of Section 8 vouchers for homeownership.

18.1.1. Maximum Program Size

Due to the dictates of the Los Angeles real estate market, Section 8 homeownership is primarily workable in conjunction with first time homebuyer programs. Therefore, the program may initially be limited by the availability of first time homebuyer programs.

HACLA may limit homeownership to a maximum number of searching families at any time, reduce the program size, or suspend the program at its discretion.

18.1.2. Eligible Families

18.1.2.1. Basic Requirements for Participation

In addition to the eligibility requirements for families, families must not owe any money and/or be delinquent in repayment of any money owed to the HACLA or to any other Public Housing Agency (PHA), be a current Section 8 participant who has been in the unit for at least 12 months. Participants who have received a 90 days notice to move will not be admitted to the Homeownership Program. They must also meet one of the following requirements:

- 1) Be a current HACLA Section 8 participant who is an elderly family or a disabled family as defined by 24 CFR 5.403(b); or
- 2) Be a current HACLA Section 8 participant, who is a recent graduate of HACLA's Family Self-Sufficiency (FSS) program within the last two years; or
- 3) Be a family in a HACLA Public Housing unit who is participating in the HUD - Resident Opportunity Supportive Services (ROSS) Homeownership Supportive Services Program; or
- 4) Be an eligible applicant family certified as being displaced or about to be displaced by the action of a government agency which is operating under an agreement with the HACLA.

In addition the family must be a participant in compliance with the Section 8 program and in good standing with their landlord. Good standing is defined as

meeting all the conditions prior to and during the homeownership shopping period. The applicant family will need a written landlord reference indicating that during the prior year the family has an uninterrupted record of paying monthly rent in full and on time. The family satisfactorily meets all other lease obligations.

18.1.2.2. Minimum Income Requirements

In accordance with 24 CFR 982.627(c)(3), the HACLA has established a minimum income requirement which is equal to the California State minimum hourly wage multiplied by 2080.

A family that meets the federal requirement but not the higher HACLA minimum wage requirement shall be considered to satisfy the minimum income requirement if:

- 1) The family demonstrates that it has been pre-qualified or pre-approved for financing; and
- 2) The pre-qualified or pre-approved financing meets the HACLA's established requirements under Section 20.3, *Financing*, of this Administrative Plan for financing the purchase of the home (including qualifications of lenders and terms of financing); and
- 3) The pre-qualified or pre-approved financing amount is sufficient to purchase housing that meets Housing Quality Standards (HQS) in the City of Los Angeles. This financing amount is designated as an amount equal to 30 percent of the median home sales price in the City of Los Angeles as determined quarterly by the HACLA using information posted by DataQuick at www.dqnews.com or from an equivalent service selected by the HACLA.

HACLA will not provide homeownership assistance to a family, with the exception of an elderly or disabled family, if welfare assistance is being used to satisfy the minimum income requirement.

18.1.2.3. Standards for Employment Requirement

The regulations require that a family, who is not an elderly family or a disabled family, must demonstrate that one or more adult members of the family has been continuously employed on a full-time basis during the year before commencement of homeownership assistance for the family. In determining whether a family meets this requirement, the HACLA will not count as a break

in continuity any time off from work related to serious illness, involuntary lay-off not for cause, or time taken off for pregnancy or other situations covered by the Family Medical Leave Act (FMLA), provided that the family still meets the minimum income requirement. The HACLA will count successive employment and self-employment in a business to establish eligibility.

The HACLA defines successive employment as continuous employment with a break no longer than one month in any twelve month period. The HACLA may, at its sole discretion, consider traditional breaks required by an employer such as summer or other breaks for school employees as meeting the requirement for continuous employment.

18.1.3. Targeted Housing Sources

Providing homeownership opportunities through the Housing Choice Voucher Program presents the following challenges:

- An expensive real estate market in Los Angeles, coupled with a low Voucher Payment Standard;
- Establishing a new complex program, requiring knowledge of real estate and financing issues, with existing staff resources.

To overcome these obstacles, the Section 8 Homeownership Program is targeted to:

- Homes available through HUD-assisted homebuyer programs.
- Other affordable home ownership opportunities which may be available to persons receiving relocation benefits or in connection with relocation from a HACLA public housing development.

18.1.4. Applicability of Other Administrative Plan Sections

The regulations for the Section 8 Homeownership Program specify which types of provisions of the Voucher regulations do not apply to assistance provided under the homeownership option (24 CFR §982.641). The following types of provisions of the Section 8 regulations and the implementing policies in this Administrative Plan do not apply:

- Provisions concerning the Section 8 owner or the HAP contract between the PHA and the owner;
- Provisions concerning the assisted tenancy or the lease between the family and the owner;
- Any provisions concerning PHA approval of the assisted tenancy;
- Any provisions concerning rent to owner or reasonable rent; and
- Any provisions concerning the issuance or term of voucher.

CHAPTER 18: SPECIAL PROCEDURES – HOMEOWNERSHIP

In the event of any conflict between provisions of the Section 8 Homeownership regulations and this Administrative Plan, the Section 8 regulations take precedence.

18.1.5. Eligible units

The homeownership assistance may only be used for the purchase of a one-unit property or a single dwelling unit in a cooperative or condominium. Duplex and multi-family units are ineligible housing under the program.

18.2. Policies Regarding Pre-purchase and Purchase-related Activities

18.2.1. Counseling and Credit Requirements Prior to Purchase

The HACLA requires that the family successfully complete a home buyer counseling program conducted by a HUD certified agency or which otherwise meets the requirements of the regulations. A certificate of completion must have been issued within one year prior to the date the family is approved for the homeownership program.

Homeownership candidates must participate in an 8 hour homebuyer counseling program with a HACLA approved agency consistent with requirements of the Los Angeles Housing Department and the Federal National Mortgage Association (Fannie Mae). The counseling agency must counsel homeownership candidates on homeownership readiness through training including but not limited to (1) credit readiness, (2) budgeting, (3) financing a home, (4) finding a home, (5) maintenance, and (6) foreclosure prevention.

As part of credit readiness training, the counseling agency must review the family's credit and work with the family toward resolving any outstanding credit problems so that the family achieves a middle FICO (Fair Isaac Credit Organization) score of 620. Families with a middle score of less than 620 will not be accepted into the Homeownership Program.

18.2.2. Housing Search and Purchase Time Limits

The maximum time allowed for a family to locate a home and enter into a purchase agreement is 180 days from the date of issuance of a homeownership voucher. No extensions are allowed. A family must report on its progress to HACLA staff during the housing search period. The family must contact the HACLA within 10 business days of receiving an accepted purchase agreement to start the Section 8 required actions related to purchase.

The maximum time for the family to complete purchase of the home is 120 days from the date it notifies the HACLA that it has received an accepted purchase agreement. The time limit can be extended, at the sole option of the HACLA, for good cause.

18.2.3. Down Payment Assistance

When HUD finalizes a proposed rule to allow Public Housing Agencies to offer a Section 8 Homeownership Down Payment Assistance Option, the HACLA may assist eligible participants with a lump sum down payment grant.

18.2.4. Contract of Sale

Before commencement of monthly homeownership assistance payments or receipt of a down payment assistance grant, a member or members of the family must enter into a contract of sale with the seller of the unit to be acquired by the family. The family must give HACLA a copy of the contract of sale within 10 business days of receiving it. Failure to submit the contract of sale may result in the monthly homeownership assistance payments or down payment assistance not being awarded. The contract of sale must:

- Specify the price and other terms of sale by the seller to the purchaser.
- Provide that the purchaser will arrange for a pre-purchase inspection of the dwelling unit by an independent inspector selected by the purchaser.
- Provide that the purchaser is not obligated to purchase the unit unless the inspection is satisfactory to the purchaser.
- Provide that the purchaser is not obligated to pay for any necessary repairs.
- Contain a certification from the seller that the seller has not been debarred, suspended, or subject to a limited denial of participation under CFR Part 24.

18.2.5. Disapproval of Seller

HACLA may deny approval of a seller for the same reasons HACLA may disapprove an owner under the regular HCV program [see 24 CFR 982.306(c)].

18.3. Financing Requirements

All proposed financing, which includes financing to purchase, financing for additional debt, loan modifications, refinancing the mortgage to lower the interest rate, lower the mortgage payments, adjust the homeownership expenses or extend the period of repayments, and any other forms of financing that alters the original loan terms, must be submitted to, and approved by, HACLA to determine the affordability. The HACLA may disapprove of the proposed financing if it determines that the terms of financing are unaffordable to the participating family. In making such determination, HACLA

may take into account other family expenses, including but not limited to, child care, unreimbursed medical expenses, education, and training expenses.

HACLA is not under any obligation to provide assistance if it determines that the lender or the loan terms do not comply with program requirements.

18.3.1. Financing for Purchase

HACLA requires a family to meet a minimum homeownership down payment requirement of at least 3 percent of the purchase price for participation in the Homeownership Program, and requires that at least one percent of the purchase price comes from the family's personal resources.

The HACLA supports HUD's efforts to prevent predatory or abusive lending practices, particularly for families participating in the Section 8 Homeownership Program. The HACLA, or another organization working in partnership with the HACLA to provide services for Section 8 Homeownership, will review financing for affordability, given all anticipated homeownership and other necessary family expenses. If the mortgage is not FHA-insured, the HACLA will require the lender to comply with secondary mortgage market underwriting requirements or comply with generally accepted private sector underwriting standards. The HACLA, or another organization working in partnership with the HACLA, will review seller-financed mortgages on a case-by-case basis.

To prevent families from losing their homes due to inability to make payments on adjustable rate and other forms of financing, the HACLA limits the type of financing for purchase to fixed rate mortgages. HACLA prohibits seller financing, balloon financing, or interest only financing.

The total monthly homeownership expenses which include (a) principal and interest on the mortgage debt, (b) mortgage insurance, (c) real estate taxes and public assessments on the home, (d) hazard insurance, (f) homeowner association dues or maintenance fees, if any, and (g) the utility allowance according to the HACLA's utility schedule, shall in no case exceed 40 percent of the family's adjusted monthly income at the time of purchase. In addition, the family must meet the requirements established by the HACLA to insure that the family will be able to meet all homeownership expenses determined under the provisions of Section 20.4.2 of this Administrative Plan.

The HACLA will not approve a purchase transaction where it determines that the Homeownership Association fees are not affordable based on the family's income.

18.3.2. Financing for Additional Debt Secured by the Home Following Purchase

The HACLA, or another organization working in partnership with the HACLA, will review the terms and amount of any additional debt secured by the home. Debt to repair the home to meet HQS may be approved at any time. Debt for other purposes will be allowed after the family has lived in the home for three years and can demonstrate that the additional debt is affordable, given the experience in meeting other necessary homeownership expenses during that time. All such financing must meet the standards outlined in Section 20.3.1, *Financing for Purchase* and must be approved by the HACLA.

All types of financing or refinancing where the original terms of the loan are modified must be submitted to the HACLA for approval.

18.3.3. Payment of Housing Assistance Payment

The HACLA will make the Housing Assistance Payment either to the family or to the lender, depending on the requirements of the lender.

18.3.4. Housing Assistance Payment

The monthly homeownership Housing Assistance Payment is the lower of: the voucher payment standard minus the total tenant payment, or the monthly homeownership expenses minus the total tenant payment. In determining the amount of the homeownership assistance payment, the HACLA will use the same payment standard amounts, utilities, and subsidy standards as for its Section 8 Housing Assistance Program. However, the payment standard may never be below the payment standard applicable at the time of home purchase.

18.4. Actions Following Purchase of Home

18.4.1. Housing Counseling

The HACLA will make information on counseling opportunities available to families participating in the homeownership program. The HACLA requires that a family participate in HACLA approved post-purchase education within 180 days of the close of escrow.

If a family expects to be unable to make its monthly mortgage payment, it must immediately notify the HACLA, which will determine the actions to be taken to remedy the situation, which may include a requirement to participate in additional counseling.

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A family who is not an elderly family or a disabled family must continue its participation in the FSS Program until it has completed all the activities in its CoP and met all other requirements to successfully graduate from the FSS Program.

18.4.1. Allowance for Homeownership Expenses

The HACLA allows those homeownership expenses stated in 24 CFR 982.635.

The HACLA develops two allowances for expenses related to maintenance and to major repairs and replacements. These allowances are used in determining expenses for all homeownership families and are not based on the condition of the home. Maintenance and major repairs expenses are calculated at \$1 (one dollar) per square foot of the residence. For example, annual maintenance expenses for a 1,500 square foot home would be \$1,500.

18.4.2. Inspections

The HACLA may carry out a Housing Quality Standards (HQS) inspection of a family's home every two years.

18.4.3. Post-Purchase Employment Requirements

In order for a non-elderly/non-disabled family to continue to be assisted, they must continue to fulfill the employment requirement of an average of 30 hours per week. In case of unemployment, an adult homeowner will re-secure employment within 90 days, unless a documented hardship exists. In the event of a documented hardship (i.e. layoff, company closure, death of a working adult, federal disaster, etc.), the head of household must provide on a monthly basis to the Homeownership Coordinator, verification that they are attempting to pursue employment. The homeowner must show a plan to return to work in order to remain eligible for the program. The HACLA will assist the participant to secure employment through the FSS program employment services. After six months on unemployment, the homeowner may be terminated from the Homeownership Voucher Program.

18.5 Moves With and Without Homeownership Assistance

18.5.1. Allowable Number of Moves

A family may not move with continued homeownership assistance during the first two years following commencement of homeownership assistance. After the first two years, a family may move no more than once in any twelve months.

If a family wishes to move with continued homeownership assistance, it must first contact HACLA Homeownership staff to determine whether it meets HUD requirements for continued homeownership assistance and complies with the requirements set forth in this chapter.

18.5.2. Continued Assistance

If a family is dispossessed from the home pursuant to a judgment or order of foreclosure on any mortgage securing debt incurred to purchase the home, or any refinancing of such debt, the HACLA will terminate voucher homeownership assistance in accordance with the regulations (24 CFR 982.638). The HACLA may issue a voucher for the family to move to a new unit with continued voucher rental assistance after reviewing the circumstances surrounding the foreclosure and, provided that the family meets all other Section 8 program requirements and is in compliance with all other elements and obligations stated in 24 CFR 982.638 and the requirements of Chapter 13 of this Administrative Plan.

18.5.3. 20.5.3 Voucher Payment Standards for Homeownership

The payment standard for a family is the greater of the payment standard at the commencement of homeownership assistance for occupancy of the home or the payment standard at the most recent regular reexamination of family income and composition since the commencement of homeownership assistance for occupancy of the home.

18.6 Denials and Termination of Assistance

HACLA will terminate homeownership assistance and shall deny voucher rental assistance if the participating household is found to be in violation of the provisions set forth in 24 CFR 982.552 (Grounds for denial or termination of assistance) and in 24 CFR 982.553 (Crime by family members). Assistance will also be denied or terminated for violations of participant obligations described in 24 CFR 982.551 (Obligations of the participant).

18.7 Mortgage Default

The HACLA must terminate voucher homeownership assistance for any member of family receiving homeownership assistance that is dispossessed from the home pursuant to a judgment or order of foreclosure on any mortgage (whether FHA-insured or non-FHA) securing debt incurred to purchase the home, or any refinancing of such debt.

18.8 Family Obligations

The family must execute a statement of homeowner obligations in the form prescribed by HUD and HACLA's Statement of Homeowners Obligations Addendum prior to the issuance of the homeownership voucher. In the statement, the family agrees to comply with all the family obligations under the Homeownership Option, including but not limited to:

1. The family must comply with the terms of any mortgage securing debt incurred to purchase the home or any refinancing of such debt.
2. At any time the family is receiving homeownership assistance, the family may not sell or transfer any interest in the home to any entity or person other than a member of the assisted family residing in the home.
3. A home equity loan, refinancing or any other types of financing that alter the original terms of the loan may not be acquired without the prior written consent of HACLA.
4. While receiving homeownership assistance, the family must notify HACLA if the family defaults on a mortgage securing any debt incurred to purchase the home.
5. While receiving homeownership assistance, no family member may have any ownership interest in any other residential property.
6. The family must comply with the obligations of a participant family described in 24 CFR 982.51. However, the following provisions do not apply to assistance under the homeownership option: 24CFR 982.551 (c), (d), (e), (f), (g), and (j).
7. The family must provide required information regarding income and family composition in order to correctly calculate the total tenant payment (TTP) and homeownership assistance, consistent with HCV requirements and any other information requested by HACLA concerning financing, the transfer of any interest in the home, or the family's homeownership expenses.
8. The family must provide to HACLA a copy of all documents that are submitted to the lender when applying for financing at purchase time, refinancing, modification, or any other types of financing that alter the original loan terms.
9. While receiving homeownership assistance, the family must notify HACLA before the family moves out of the home.
10. The family must, at annual reexamination, certify that the family is current on mortgage payments.
11. The family is prohibited from moving more than one time in a one (1) year period. The family may be required to participate in pre and post-purchase homeownership counseling prior to re-housing.
12. The family must sign a release allowing HACLA to communicate and exchange information with the lender, realtor, and housing counselors as it relates to the family's application and participation in the program.
13. The family must agree to maintain the condition of the home to comply with HUD's Housing Quality Standards (HQS).

14. The family must disclose any and all changes of family composition and family income immediately to HACLA.
15. The family must agree to immediately notify HACLA of any late payment, delinquency notices, or default notices and must agree to participate in default counseling with a designated agency to become current.
16. The family must agree to attend any identified financial or post purchase counseling during time of assistance as required by HACLA.
17. The head of household, spouse, or adult on the mortgage document must remain continuously employed full time (no less than 32 hours per week) while participating in the program. This obligation is not applicable for senior and disabled households.
18. The family must maintain a minimum reserve for maintenance and major repairs equal to the reserve amount determined by HACLA. The family must provide proof of the reserve funds at every annual reexamination.

18.9 Other Provisions

HACLA may limit the number of families requesting the homeownership option in any given year or it may limit the number of HAP/Homeownership Vouchers that a client can receive per year.

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Chapter 19 SPECIAL PROCEDURES - HUD-VASH

The HACLA operates both a regular Veterans Administration Supportive Housing (VASH) program and the HUD-Veterans Affairs Supportive Housing (HUD-VASH) Program. The HUD-VASH program combines HUD Housing Choice Voucher (HCV) rental assistance for homeless veterans with case management and clinical services provided by the Department of Veteran Affairs (VA) at its medical centers.

Although HUD-VASH vouchers are administered in accordance with the Housing Choice Voucher regulations at 24 CFR part 982, the 2008 Appropriations Act authorized the HUD Secretary to waive, or specify alternative requirements for, any provision of any statute or regulation deemed necessary for effective delivery and administration of the HUD-VASH program.

This chapter provides the key waivers and alternative requirements as designated by the HUD Secretary for the HUD-VASH program and changes in HACLA policy as may be required to implement the HUD-VASH program. Therefore revisions to HUD-VASH policies are exempted from the criteria of significant amendment since revisions made are necessary to reflect statutory or regulatory changes as designated by the HUD Secretary.

All regulations of 24 CFR Part 982 apply to the HUD-VASH program unless the HUD Secretary has indicated otherwise. Throughout this chapter the designation “VAMC” shall mean the HACLA’s partnering Veteran’s Affairs Medical Center(s) unless otherwise indicated.

19.1. Family Eligibility for the HUD-VASH Program

Partnering Veteran Affairs Medical Centers (VAMC) will refer HUD-VASH eligible families to the HACLA for determination of income eligibility. Written documentation of these referrals must be maintained in the tenant file at the HACLA.

19.2. Waiting List and Preferences

The HACLA does not have the authority to maintain a waiting list or apply local preferences for HUD-VASH vouchers. The HUD Secretary has waived 24 CFR sections 982.202, 982.204, and 982.207 relating to applicant selection from the waiting list, cross listing of the waiting list and opening and closing of the waiting list. 24 CFR sections 982.203, 982.205 and 982.206 regarding special admissions, cross-listing and opening and closing the waiting list also do not apply.

The HACLA will serve HUD-VASH clients as a category of families under Section 3.3, *Non-Waiting List Admissions*, of this Administrative Plan.

19.3. Screening for Criminal History

The VAMC will screen all families in accordance with its screening criteria. The HACLA does not have the authority to screen potentially eligible families or deny assistance because of criminal history for any grounds permitted under 24 CFR 982.552 and 982.553 with one exception. In accordance with 24 CFR 982.553(a)(2)(i), the HACLA shall conduct criminal history screening to determine whether any member of the household is subject to a lifetime registration requirement under a state sex offender registration program. The HACLA shall prohibit admission of a family if any member of the household is subject to a lifetime registration requirement under a state sex offender registration program.

19.4. Terminations and Denials

By agreeing to participate in the HUD-VASH program, the HACLA relinquishes its authority to deny assistance for any of the grounds permitted under 24 CFR 982.552 (broad authority to deny participation for violation of program requirements and for any grounds permitted under 24 CFR 982.553 except for the prohibition against registered sex offenders.

As a consequence all grounds for denial of participation including denial due to lack of citizenship, the family having committed fraud, owing money to any PHA and the like are not applicable to applicants to the HUD-VASH program.

19.4.1. Requirements for Participants in the HUD-VASH Program

Notwithstanding the HACLA's lack of authority to deny admission to HUD-VASH applicants, all the requirements for participants in assisted housing programs and all the grounds for termination of participant families contained in Chapter 13 remain in effect. The HACLA's right to disapprove a live-in aide also remains in effect.

19.4.2. Authority to Terminate for Failure to Participate in Case Management

As a condition of HCV rental assistance in the HUD-VASH program, a HUD-VASH family must receive case management services from the VAMC. A HUD-VASH participant family's assistance must be terminated for failure to participate in case management services without good cause as verified by the VAMC.

19.4.3. When Case Management Is No Longer Needed

A VAMC determination that a participant HUD-VASH family no longer requires case management services is not grounds for termination of HUD-VASH assistance. So long as the family remains in compliance with other program regulations, it may receive continued assistance under the HUD-VASH program.

At its sole discretion, the HACLA may offer a HUD-VASH family that the VAMC certifies no longer needs case management services continued housing choice voucher (HCV) assistance through one of its regular vouchers in order to free up the HUD-VASH voucher for another HUD-VASH eligible family.

The family must meet citizenship and all other requirements to be admitted to the regular HCV program.

19.5. Income Eligibility

The HACLA will determine income eligibility for the HUD-VASH program as it does for the Housing Choice Voucher Program in accordance with 24 CFR 982.201.

19.6. Income Targeting

Income targeting requirements of 24 CFR 982.201(b)(2) do not apply for HUD-VASH families. The HACLA may choose to include the admission of extremely low income HUD-VASH families in its income targeting numbers for the fiscal year in which these families are admitted to the HUD-VASH program.

19.7. Initial Term of the Housing Choice Voucher

HUD-VASH vouchers must have an initial search term of 120 days, or such other number of days as may be designated by the Secretary of Housing and Urban Development for the HUD-VASH program. 24 CFR 982.303(a) which states that the initial search term of a voucher must be at least 60 days shall not apply since the initial search term must be at least 120 days. At the discretion of the Director of Section 8, the HACLA may approve a 180-day maximum term of the voucher. In this case, the voucher will expire at the end of 180 cumulative calendar days if the family has not requested an extension beyond the 180 days as a reasonable accommodation.

Therefore Section 10.1 of the Administrative plan which limits the initial term of the voucher to 60 days shall not apply to the HUD-VASH program.

If during the voucher term the homeless veteran dies, the voucher will remain with the remaining members of the family composition, if applicable. The Housing Authority will use one of its own vouchers, if available, to continue assisting this family and free up a voucher for another HUD-VASH eligible family. If a regular voucher is not available,

CHAPTER 19: SPECIAL PROCEDURES FOR THE HUD-VASH PROGRAM

the family would continue utilizing the HUD-VASH voucher. Once the HUD-VASH voucher turns over, however, it must go to a homeless veteran family.

19.8. Extensions

Subsection 10.2.1, *Regular Extensions*, shall not apply to the HUD VASH program. Except where required as a reasonable accommodation, the HUD-VASH voucher will expire after the initial term of 120 days. Other subsections of Section 10.2 remain in effect for applicants holding HUD-VASH vouchers.

19.9. Initial Lease Term

To provide a greater range of housing opportunities for HUD-VASH voucher holders, initial leases may be for periods of less than 12 months. The HUD Secretary has waived 24 CFR 982.309(a)(2)(ii).

The HACLA will continue to require an initial lease of 12 months. Therefore Section 10.7, *Lease Approval and Initial Term of the Lease*, remains in effect as well as Section 10.19 that provides discretion to the HACLA President and CEO.

19.10. Units on Grounds of a Medical, Mental, or Similar Public or Private Institution

HUD-VASH families will be permitted to live on the grounds of a VAMC in units owned by the VA. The HUD Secretary has waived 24 CFR 982.352(a)(5) for this purpose only.

19.11. HUD-VASH Portability

The HUD Secretary has made the following determinations with regard to portability in the HUD-VASH program.

19.11.1. Portability Restrictions to Be Determined by the VAMC

HUD-VASH families must receive case management services provided by the VAMC to participate in the HUD-VASH program. HUD-VASH families may only reside in those areas that are accessible to case management services as determined by the partnering VAMC.

19.11.2. City Residency Requirements Do Not Apply

Because the VAMC is responsible for identifying families eligible to participate in the HUD-VASH program, 24 CFR 982.353(a),(b), and (c) which affect where a family can lease a unit with HCV assistance do not apply.

Therefore, Section 8.1, *City Residency Requirement*, of the Administrative Plan, which restricts portability in cases where the family did not reside in the jurisdiction of the PHA at the time of application for HCV assistance, does not apply.

19.11.3. Portability Moves Where the Initial PHA's Partnering VAMC Will Provide Case Management

If the HUD-VASH family initially leases up, or moves, under portability and the family will receive case management services from the initial PHA's partnering VAMC, the receiving PHA must process the move in accordance with the portability procedures of 24 CFR 982.355. The receiving PHA must bill the initial PHA. In these cases 24 CFR 982.355(d) is not applicable and the receiving PHA may not absorb the family.

19.11.4. Portability Moves Where the Receiving PHA's Partnering VAMC Will Provide Case Management

If the HUD-VASH family wishes to move under portability but the initial PHA's partnering VAMC is unable to provide case management services, the initial PHA's partnering VAMC must first determine that the HUD-VASH family could be served by another VAMC that is participating in the HUD-VASH program. The receiving PHA must have a HUD-VASH voucher available for the family. The receiving PHA must absorb the family as a new admission (initial voucher), or as portability move in.

Upon absorption, the initial PHA's HUD-VASH voucher will be available to lease to a new HUD-VASH eligible family. The absorbed family will count towards the number of HUD-VASH slots awarded to the receiving PHA.

19.12. Turnover of HUD-VASH Vouchers

In accordance with the 2008 Appropriations Act of 2008, upon turnover, HUD-VASH vouchers must be issued only to eligible families identified by the partnering VAMC. The HACLA cannot use HUD-VASH vouchers for any other purpose.

19.13. VAWA Protections

In the HUD-VASH program, when a veteran's family member is receiving protection as a victim of domestic violence, dating violence, sexual assault, or stalking, and the veteran is the perpetrator of such violence, the victim must continue to be assisted.

Upon termination of the perpetrator's HUD-VASH voucher due to the perpetrator's acts of domestic violence, dating violence, sexual assault, or stalking, the victim receiving protections under 24 CFR Part 5, Subpart L should be given a regular HCV if one is available, and the perpetrator's HUD-VASH voucher should be used to serve another eligible veteran family. If a regular HCV is not available for the victim, the perpetrator must be terminated from assistance, and the victim will continue to utilize the HUD-VASH voucher. In the case of the victim utilizing the HUD-VASH voucher upon termination of the perpetrator, this HUD-VASH voucher must be issued to another eligible veteran family when a regular HCV becomes available.

HOUSING AUTHORITY OF THE CITY OF LOS ANGELES

SECTION 8 ADMINISTRATIVE PLAN

GLOSSARY OF TERMS

Words or phrases in *italics* indicate that there is an additional glossary description of that word.

1937 Act

1937 Act means the United States Housing Act of 1937 (42 U.S.C. 1437 *et seq.*) as amended by Congress.

24 CFR

Title 24 of the Code of Federal Regulations - Federal Regulations Relating to Housing and Urban Development.

ACC

Annual Contributions Contract: a written contract between *HUD* and a *PHA* under which HUD agrees to provide funding for a program under the Housing Act of 1937, and the PHA agrees to comply with HUD requirements for the program.

Accessibility Coordinator

A designated *HACLA* employee who coordinates the *HACLA*'s compliance with *Section 504* of the Rehabilitation Act of 1973 which requires reasonable accommodation for the handicapped in all program areas.

Admission

In the *tenant-based* programs, the effective date of the first *HAP Contract* for a family. In project or sponsor-based programs, the date of the approved assisted lease. This is the point at which the family becomes a participant in the program.

AFDC

Aid to Families with Dependent Children, an open-ended federal entitlement program abolished by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 and replaced by block grants to States to provide time-limited cash assistance for needy families called "Temporary Assistance for Needy Families" (*TANF*).

Affordability Limitation

At the time the *HACLA* approves a tenancy for the initial occupancy of a unit in the *tenant-based* program, if the *Gross Rent* of the unit exceeds the applicable *payment standard*, the *Family Share* must not exceed 40 percent of the family's adjusted monthly income.

Agreement to Enter into a HAP Contract (AHAP)

A written and binding agreement required by HUD prior to the execution of any Project-based Certificate or Voucher contract where construction or rehabilitation is required. The owner and the PHA agree that upon satisfactory completion of the new construction or the rehabilitation in accordance with requirements specified in the Agreement, the PHA will enter into a HAP contract with the owner.

AHAP

See *Agreement to Enter into a HAP Contract* above.

Anniversary Date

In the *tenant-based* program, the beginning date of the HAP Contract. In *project-based* programs, the starting date of the HAP Contract or Stage I of the HAP Contract if there are multiple stages.

Annual Contributions Contract

See ACC.

Applicant

A family or a single person who has submitted a completed HACLA application questionnaire.

Annual Reexamination

A reexamination of income and family composition required by HUD to make appropriate adjustments in the *Total Tenant Payment* (and the family portion of the rent) and to determine whether the family unit size is still appropriate.

Area Exception Rent

An amount that exceeds the published *Fair Market Rent (FMR)*. At HUD's sole discretion, HUD may approve an area exception rent for all units, or all units of a given size, leased by families in a part of the fair market rent area that is designated as an "exception rent area."

Attorney in fact

A person granted a *power of attorney* by a *principal* to legally act on the principal's behalf with respect to one or more specific lawful subjects or purposes, or with respect to all lawful subjects or purposes.

Basic Range

In setting a payment standard the "basic range" is between 90% and 110% of HUD's published *Fair Market Rent* for the area. A PHA has discretion to set its *voucher payment standards* anywhere in this range. HUD has sole discretion to approve any payment standard outside this range.

Cash Value

Cash value or net cash value is the cash value of an asset after deducting reasonable

costs that would be incurred in disposing of real property, savings, stocks, bonds, and other forms of capital investment, excluding interests in Indian trust land and excluding equity accounts in HUD homeownership programs. [24 CFR 5.603]

CBO

Community-based organization.

Centralized or coordinated assessment system

Centralized or coordinated assessment system means a centralized or coordinated process designed to coordinate program participant intake assessment and provision of referrals. A centralized or coordinated assessment system covers the geographic area, is easily accessed by individuals and families seeking housing or services, is well advertised, and includes a comprehensive and standardized assessment tool which is used to match homeless individuals and families with the housing resources that best fit their needs.

Certificate

Congress ended the certificate program in the Quality Housing and Work Responsibility Act of 1998. A Certificate of Family Participation, or certificate, was a document issued by a Public Housing Agency (PHA) to a family selected for admission to the rental certificate program. The certificate described the program and the procedures for approval of a unit selected by the family. The certificate also stated the obligations of the family under the program. Certificates are currently used in only the *HOPWA* and *Shelter Plus Care* programs.

CHAS

Comprehensive Housing Affordability Strategy. See *Consolidated Plan*.

Chronically homeless

(1) An individual who:

- (i) Is homeless and lives in a place not meant for human habitation, a safe haven, or in an emergency shelter; and
- (ii) Has been homeless and living or residing in a place not meant for human habitation, a safe haven, or in an emergency shelter continuously for at least one year or on at least four separate occasions in the last 3 years; and
- (iii) Can be diagnosed with one or more of the following conditions: substance use disorder, serious mental illness, developmental disability (as defined in section 102 of the Developmental Disabilities Assistance Bill of Rights Act of 2000 (42 U.S.C. 15002)), post-traumatic stress disorder, cognitive impairments resulting from brain injury, or chronic physical illness or disability;

(2) An individual who has been residing in an institutional care facility, including a jail, substance abuse or mental health treatment facility, hospital, or other similar facility, for fewer than 90 days and met all of the criteria in paragraph (1) of this definition, before entering that facility; or

(3) A family with an adult head of household (or if there is no adult in the family, a minor head of household) who meets all of the criteria in paragraph (1) of this definition, including a family whose composition has fluctuated while the head of household has been homeless.

City Resident

For purposes of determining eligibility for portability, “city resident” means that the family’s head of household or spouse has established the City of Los Angeles as his/her principal and permanent place of residency, or domicile. See also *Residency Preference*.

Community Investment Development Program

Authorized by the HUD Demonstration Act of 1993, this program uses the same procedures as the original *New Construction/Substantial Rehabilitation Program* to provide rehabilitated or newly constructed units for rental by *low income families*.

Conservator (See also Limited Conservator)

A conservator of a person is someone appointed by a court to act for a person who is “unable properly to provide for his or her personal needs for physical health, food, clothing, or shelter.”

A conservator of the estate may be appointed by a court for a person who is “substantially unable to manage his or her financial resources or resist fraud or undue influence.”

The appointment of a conservator is an adjudication that the conservatee lacks legal capacity to enter into transactions except contracts for necessities of life. Depending on the terms of the conservatorship, a conservatee may or may not have been declared incompetent. The court order of conservatorship will address the specific rights retained by the conservatee.

Consolidated Plan

The Consolidated Plan, also called the Comprehensive Housing Affordability Strategy, or *CHAS*, is a five-year housing plan required of cities receiving funds from the U. S. Department of Housing and Urban Development under the National Affordable Housing Act of 1990. The CHAS must address four key issues: (1) the housing needs of the City including the needs of the homeless, (2) an analysis of the housing market including barriers to providing affordable housing, (3) strategies to address the needs (strategic plan), and (4) resources available to meet the needs and activities planned to meet the needs (action plan). [Governed by 24 CFR part 91.]

Contract of Participation (CoP)

In the *Family Self Sufficiency* (FSS) Program, a contract in a form approved by HUD, entered into between a participating family and a Public Housing Agency (*PHA*) operating an FSS program that sets forth the terms and conditions governing participation in the FSS program. [Governed by 24 CFR Part 984 - Section 8 and Public Housing Family Self Sufficiency Program.]

Contract Rent

In *project-based* programs, the total amount of rent specified in the *Housing Assistance Payments (HAP)* Contract as payable to the owner by the assisted family and by HUD or the Public Housing Agency (PHA) on the family's behalf. For the *tenant-based* program see "rent to owner."

Coordinated Entry System (CES)

A Community-wide developed system that links outreach, vulnerability assessment, housing navigation and supportive housing placement in a single process to house homeless and chronically homeless individuals and families.

Damage Inspection

A HACLA inspection of a unit made at the owner's request at the end of a tenancy to determine the nature and extent of damages to the unit caused by the family and to estimate the costs of repair.

DCFS

The Los Angeles County Department of Children and Family Services.

Deficiency

At the time of HACLA inspection of a unit, a problem or defect noted in a unit. The deficiency may be rated major or minor depending on its relationship to the *Housing Quality Standards (HQS)* developed by HUD or to community building and safety standards which have been approved by HUD. A unit with any *major deficiency* fails the HQS inspection.

Developmental Disability

The term "developmental disability" as defined in section 102 of the Developmental Disabilities Assistance and Bill of Rights Act of 2000 (42 U.S.C. 15002) means

(1) a severe, chronic disability of an individual that:

- (i) is attributable to a mental or physical impairment or combination of mental and physical impairments;
- (ii) is manifested before the individual attains age 22;
- (iii) is likely to continue indefinitely;
- (iv) results in substantial functional limitations in three or more of the following areas of major life activity - (i) self-care; (ii) receptive and expressive language; (iii) learning; (iv) mobility; (v) self-direction; (vi) capacity for independent living; and (vii) economic self-sufficiency; and
- (v) reflects the individual's need for a combination and sequence of special, interdisciplinary, or generic services, individualized supports, or other forms of assistance that are of lifelong or extended duration and are individually planned and coordinated.

(2) An individual from birth to age 9, inclusive, who has a substantial developmental delay or specific congenital or acquired condition, may be considered to have a developmental

disability without meeting three or more of the criteria described in paragraphs (1)(i)through (v) of the definition of “developmental disability” in this section if the individual, without services and supports, has a high probability of meeting these criteria later in life.

Disabled Family

A family whose head or spouse or sole member is a *person with a disability*. It may include two or more persons with disabilities who are living together, or one or more persons with disabilities living with one or more *live-in aides*.

Disabled Person

See *Person with a Disability*.

Displaced Family (or Person)

A family in which each member, or whose sole member, is a person displaced by government action or a person whose dwelling has been extensively damaged or destroyed as the result of a disaster declared or otherwise formally recognized under Federal disaster relief laws.

DNR

“Do not readmit” - a designation used by *HACLA* which indicates that a potential bar to readmission to the *Section 8* or other housing programs may exist. For example, a former participant who had been terminated due to fraud would receive a “DNR” designation.

DPSS-GAIN

The Department of Public Social Services of the County of Los Angeles' "Greater Avenues for Independence" Program.

EID - Earned Income Disallowance

In *Section 8 tenant-based* (HCVP) and *HOPWA* programs, a temporary disallowance of earned income for an eligible *disabled person* in an eligible family. HUD’s strict requirements on eligibility for this disallowance are located at 24 CFR 5.617.

EIV - Enterprise Income Verification System

This is HUD’s *Electronic Verification System*. HUD collects electronic data on income from the Social Security Administration and other sources including the Health and Human Services Department and the National Directory of New Hires. The data is collected for all participants in assisted housing programs based on the individual’s name, social security number and date of birth. The EIV provides information on monthly employer new hires, quarterly wage and employer information, quarterly unemployment compensation information and monthly Social Security and Supplemental Security Income (SSI) information.

Elderly Family

A family whose head or spouse (or sole member) is a person who is at least 62 years of age; or two or more persons who are at least 62 years of age living together; or one or

more persons who are at least 62 years of age living with one or more *live-in aides*.

Elderly Person

A person who is at least 62 years of age.

Eligible Immigration Status

The definitions and requirements for eligible immigration status are set forth in Section 214 of the Housing and Community Development Act of 1980, as amended [42 U.S.C. 1436a(a)] and in 24 *CFR* Part 5, Subpart E – Restrictions on Assistance to Noncitizens. Eligible immigration status is verified by documents designated by the Immigration and Naturalization Service (INS).

EV - Electronic Verification

Electronic Verification refers to the verification of income, deductions and other information through independent sources that systematically and uniformly maintain information in electronic databases for a large number of individuals.

Evidence Packet

In *informal hearings*, a packet containing all the papers, documents, requests, and exhibits which the *HACLA* will use to present justification for its action.

Expungement

This term generally refers to the purging of one's criminal record or the sealing and destruction of arrest and/or conviction information from the criminal record. With certain exceptions, expungement of a criminal record releases the defendant from all penalties and disabilities resulting from the offense of which he or she had been convicted.

Extremely Low Income Family

A *family* whose annual income does not exceed 30% of the median income for the Los Angeles area, as determined by *HUD*, with adjustments for smaller and larger families. *HUD* normally publishes changes to its Extremely Low Income Limits annually. *HUD* may establish income limits higher or lower than 30% of the median income for the area on the basis of its findings that such variations are necessary because of the prevailing levels of construction costs or unusually high or low family incomes.

Fair Market Rent or FMR

The rent, including utilities (except telephone), ranges and refrigerators, and all maintenance, management and other services, that would be required to be paid in order to obtain privately owned, existing, decent, safe, and sanitary rental housing of modest (non-luxury) nature with suitable amenities. Separate FMRs for the Los Angeles area are established by *HUD* for housing units of varying sizes (number of bedrooms) and are published in the Federal Register.

Fair Share (NOFA)

This is *HUD*'s title of its Notice Of Funding Availability (*NOFA*) for Fiscal Years 2000 and

later. This NOFA requires the *HACLA* to set aside certain percentages of incremental vouchers awarded by HUD under the NOFA for *disabled families*, for families who have been granted waivers under Section 1915(c) of the Social Security Act and for absorbing portability vouchers.

Family

A “family” may be a single person or a group of persons. The *HACLA*’s definition of a family is provided in Section 6.1, *Definition of a Family*, of this Administrative Plan. *HUD* also considers one or more *disabled or elderly persons* living with one or more *live-in aides* to be a family and under such circumstances, solely for the purpose of determining whether the *HACLA* will approve the live-in aide to reside in the unit (Chapter 13), the live-in aide is also considered a “member of the family.”

Family Self Sufficiency (FSS) Program

A Federal program designed to assist families who volunteer to strive to become economically independent from government services within a five to seven year period.

Family Share

The portion of rent and utilities paid by the family. The family share is calculated by subtracting the amount of the *Housing Assistance Payment (HAP)* from the *Gross Rent*.

Family Unification Program (FUP)

This program provides housing assistance to income eligible families for whom the lack of adequate housing is a primary factor in the separation or imminent separation of children from their families. Referrals are made to the *HACLA* by the Los Angeles County Department of Children and Family Services or its designees.

FMR

Fair Market Rent.

FMR/exception rent

The *Fair Market Rent* or an *area exception rent* that has been approved by *HUD*.

FSS

Family Self-Sufficiency program. A program mandated by *HUD* and established by Public Housing Agencies (*PHAs*) to promote self-sufficiency of assisted families. The program includes the provision of *supportive services*.

FUP

The *Family Unification Program*.

Gross Rent

The sum of the *rent to owner (or contract rent)* plus any *utility allowances* for utilities paid by the tenant.

HACLA

The Housing Authority of the City of Los Angeles. “The HACLA” as used within this Administrative Plan, refers to the Housing Authority of the City of Los Angeles, and specifically to the staff of the Section 8 Department which is responsible for administering the Section 8 and other assisted housing programs described within this Administrative Plan. The Housing Authority of the City of Los Angeles is a Public Housing Agency (*PHA*).

HAP

Housing Assistance Payment.

HAP Contract

Housing Assistance Payments Contract. A written contract between a Public Housing Agency (*PHA*) and an owner, in the form prescribed by *HUD*, in which the *PHA* agrees to make *housing assistance payments* to the owner on behalf of an eligible *family* or families.

HCIDLA

The Los Angeles Housing + Community Investment Department

HCVP

The Housing Choice *Voucher* Program - the Section 8 *tenant-based* voucher program.

Head of Household

The adult member of the family whom the family designates as head of the household for purposes of determining income eligibility and rent. This person must be solely or partly responsible for the payment of rent and thus a signatory to the lease.

HEIP

Hope for Elderly Independence Program. A program that combines *tenant-based* rental *vouchers* with *supportive services* to assist frail *elderly* people who require this assistance to continue living independently and to avoid premature institutionalization. Referrals are made to the *HACLA* by senior service agencies designated by the Los Angeles City Department of Aging.

Homeless Individual or Family

An individual or family who lacks a fixed, regular, and adequate nighttime residence, meaning:

- (i) An individual or family with a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings, including a car, park, abandoned building, bus or train station, airport, or camping ground;
- (ii) An individual or family living in a supervised publicly or privately operated shelter designated to provide temporary living arrangements (including congregate shelters, transitional housing, and hotels and motels paid for by charitable organizations or by federal, state, or local government programs for low-income individuals); or

(iii) An individual who is exiting an institution where he or she resided for 90 days or less and who resided in an emergency shelter or place not meant for human habitation immediately before entering that institution.

The term "Homeless Individual or Homeless Family" does not include any individual imprisoned or otherwise detained pursuant to an Act of the Congress or a State law. (42 U.S.C. 11302 - Part of the McKinney-Vento Homeless Assistance Act).

The HACLA considers families (or portions of families) that have been displaced due to domestic violence and which are residing in temporary housing to be homeless.

Homeless Program

A program designed to support local homeless assistance strategies by providing Section 8 vouchers to families currently participating in a transition plan administered by community based organizations which have been preselected by the HACLA.

HOPWA

Housing Opportunity for People with AIDS. A program established by the AIDS Housing Opportunity Act and implemented by the HOPWA Planning Committee for Los Angeles County to provide comprehensive strategies to meet the housing and other needs of persons with AIDS and their families. Referrals to the HACLA are made by pre-selected agencies under a memorandum of understanding with the HACLA. Although this program provides rental assistance, it is not a Section 8 program.

HOPWA Fast Track

An addition to the HOPWA program whereby eligible families may register directly for HOPWA assistance. After medical eligibility is confirmed, the family may also be referred to a contracted HOPWA agency for future *supportive service* needs.

Household

Household means the *family* and any HACLA-approved *live-in aide*.

Housing Act of 1937

See 1937 Act.

Housing Assistance Payment or HAP

The payment made by the HACLA to the owner of a unit under lease by an eligible family, as provided in the HAP Contract. In project-based programs the HAP is the difference between the contract rent and the tenant rent. In the tenant-based program, the HAP is the lower of: 1) the voucher payment standard minus the Total Tenant Payment, or 2) the Gross Rent minus the Total Tenant Payment).

Housing Conversion Program

This program assists families in HUD-determined eligible projects to prevent displacement of families and to retain assisted housing for eligible families when an owner prepays a HUD mortgage, terminates HUD mortgage insurance, opts-out of certain project-based programs, or loses the property. The program provides enhanced

vouchers to eligible families who wish to remain in the project and regular vouchers to those who wish to move.

Housing Quality Standards (HQS)

HUD's unit acceptability criteria and performance requirements relating to sanitary facilities, food preparation and refuse disposal, space and security, thermal environment, illumination and electricity, structure and material, interior air quality, water supply, lead-based paint, access, site and neighborhood, sanitary condition, and smoke detectors. In addition to 24 CFR, additions and clarifications of the HQS requirements are contained in HUD's Housing Inspection Manual. The local HUD office can approve variations of the HQS.

HQS

Housing Quality Standards.

HQS Deficiency

Any deficiency in a unit that causes the unit to fail an HQS inspection. A deficiency that causes the unit to fail to meet HUD's performance requirements or acceptability criteria or HUD approved variations in acceptability criteria. [See 24 CFR 982.401 *et seq.*]

HUD

The U. S. Department of Housing and Urban Development.

HUD EIV

See *EIV*.

Income Targeting

See Targeting Requirements.

Informal Hearing

A procedure required by *HUD* which allows a *participant* family, (or in cases of denial due to ineligible immigration status, an *applicant* family) to receive a hearing to determine whether certain *HACLA* decisions are in accordance with the law, HUD regulations and *HACLA* policies. Informal hearings are discussed in Chapter 14 of this Administrative Plan.

Informal Review

A procedure required by *HUD* which allows an *applicant* a review of a *HACLA* decision to deny assistance to the applicant. Informal reviews are discussed in Chapter 14 of this Administrative Plan.

Initial Interview

The preliminary examination of an *applicant* or *referred family* to determine eligibility for admission, *family income and composition and the right to preferences* (see *local*

preferences). The initial interview results in the verification of family income and composition, of residency status in the City of Los Angeles and in determination of citizenship and/or immigration status.

Interim Reexamination or Examination

In the language of 24 CFR, any reexamination of income and family composition that is not an *annual reexamination*. A participant family always has the right to an interim reexamination at its request. A Public Housing Agency (PHA) may schedule an interim reexamination at any time. Interim examinations must be conducted in accordance with the PHA's Section 8 Administrative Plan.

The HACLA makes a distinction between two types of interim examinations: "Interim Reexaminations" and "Special Reexaminations." For the HACLA an "interim reexamination" is a reexamination of family income and composition made at the request of a *participant* to determine whether the tenant portion of rent should be decreased because of changes which occurred following a regular *annual or special examination*. If the *tenant rent* is decreased as the result of an interim reexamination, the family must report all subsequent changes in family composition and income immediately to the HACLA. The HACLA will either increase or decrease the tenant rent as the result of subsequent changes through additional interim reexaminations. The requirement for interim reporting by the family ends at the next scheduled *annual reexamination*. [See Chapter 12, *Continuing Participation*, of this Administrative Plan.]

LAHD

The City of Los Angeles Housing Department.

LARAC

The Los Angeles Rent Adjustment Commission, a special commission established by the Los Angeles Rent Stabilization Ordinance (RSO).

Limited Conservator

A limited conservator of the person or of the estate may be appointed by a court for a *developmentally disabled* adult. The limited conservatee of a limited *conservator* is not presumed to be incompetent and retains all legal and civil rights except those which by court order have been designated as legal disabilities and have been specifically granted to the limited conservator. The court order of limited conservatorship will address the specific rights retained by the conservatee.

Live-in Aide

The HUD definition of a live-in aide is: a person who resides with one or more *elderly persons*, or *near-elderly persons*, or *persons with disabilities*, and who:

- (1) Is determined to be essential to the care and well-being of the persons;
- (2) Is not obligated for the support of the persons; and
- (3) Would not be living in the unit except to provide the necessary supportive services.

Local Preference

A preference used by the HACLA to select among applicant families. Local preferences may be established by the HACLA Board of Commissioners after conducting a public hearing.

Low-Income Family

A family whose annual income does not exceed 80% of the median income for the Los Angeles area, as determined by HUD, with adjustments for smaller and larger families. HUD normally publishes changes to the Low-Income limits annually. HUD may establish income limits higher or lower than 80% of the median income for the area on the basis of its findings that such variations are necessary because of the prevailing levels of construction costs or unusually high or low family incomes.

Major Deficiency

At the HACLA inspection of a unit, an item which fails to meet HUD's minimum standards for housing quality (HQS). Any major (or HQS) deficiency causes the unit to fail the inspection.

Mainstream Housing Program

A program designed for persons with disabilities to enable very low income disabled families to rent affordable housing. Vouchers are provided in conjunction with supportive services to eligible families.

MBE

Minority-owned Business Enterprise.

McKinney Act

The Stewart B. McKinney Homeless Assistance Amendments Act of 1988.

Minor Deficiency

At the HACLA inspection of a unit, an item which meets minimum *Housing Quality Standards* but which nevertheless evidences minor problems or defects not serious enough to fail the unit.

Mixed Family

A family in which some, but not all, members have citizenship or *eligible immigration status*. Unless the family was in an assisted housing program on November 29, 1996, the housing assistance payment for such families must be prorated. (See *proration*.)

Moderate Rehabilitation Program (MRP)

Congress no longer allocates funding for this program which was designed to upgrade substandard rental housing and to provide rental subsidies for *low income families*. The 15 year contracts for these projects are now expiring. Congress has been extending funding for existing contracts on a year to year basis.

Moderate Rehabilitation Single Room Occupancy Program for the Homeless (MRP-SRO)

Authorized by the Stewart B. McKinney Homeless Assistance Act, this program provides rental assistance for homeless individuals in rehabilitated *single room occupancy (SRO)* housing and assures access to *supportive services* for program participants.

Moving to Opportunity Program (MTO)

A nationwide demonstration program which targeted *low income families* currently living in public housing or in *project-based* housing units which were located in a high poverty census tract. Using three groups, experimental, comparison and control, the program was designed to assist some families to move to housing located in low poverty census tracts and to gather data on the impact of neighborhoods on the social and economic opportunities of the family. This program has been discontinued.

MPP

The HACLA Manual of Policy and Procedure.

MRP-SRO

Moderate Rehabilitation Single Room Occupancy Program for Homeless Individuals.

MTO

Moving to Opportunity program.

Near-elderly family

A family whose head, spouse, or sole member is a person who is at least 50 years of age but below the age of 62; or two or more persons, who are at least 50 years of age but below the age of 62 living together; or one or more persons who are at least 50 years of age but below the age of 62 living with one or more *live-in aides*. [24 CFR 5.403]

New Construction/Substantial Rehabilitation Program

A program enacted in 1974 and repealed in 1983. The program encouraged owners and housing developers to rehabilitate or to construct new rental developments for rental to *low income families*. About 27 owners still participate in the New Construction Program under continued funding.

NOFA

Notice of Funding Availability. For funding (contract or budget authority) that HUD distributes for competitive process, HUD headquarters invites Public Housing Agency (*PHA*) and other applications by publishing a NOFA in the Federal Register. The NOFA explains how to apply for funding and the criteria for awarding the funding.

Non-City Family

An applicant *family* (or single person) in which neither the *head of household* nor the spouse had a legal residence (domicile) in the City of Los Angeles at the time of application.

NPO - Non-profit Organization

An organization, no part of the net earnings of which inures to the benefit of any member, founder, contributor or individual.

Orientation Packet

Also called an *RFTA* (Request for Tenancy Approval) packet, this packet contains *HUD* prescribed information which is presented to each *family* at the time it initially receives a voucher. The *RFTA* packet is also given to families who are revouched to find other housing in the *Section 8 tenant-based* program.

Participant (Participant family)

A single person or *family* that has been admitted to the *HACLA* program, and is currently assisted in the program. In the *tenant-based* programs, a person or family becomes a participant on the effective date of the first *Housing Assistance Payment Contract* executed by the *HACLA* for the family. In *project-based* or sponsor-based programs, a person or family becomes a participant on the date an assisted lease has been approved.

Payment Standard

In a *voucher* tenancy, the maximum subsidy payment for a *family* (before deducting the family contribution) established by the number of bedrooms allowable to the family. Voucher Payment Standards are determined by a Public Housing Agency (*PHA*) subject to *HUD* rules. A *PHA* may have one payment standard for its entire jurisdiction or separate payment standards for various areas. *HUD* may also approve certain areas for exception payment standards outside the “*basic range*.”

PBA Program

Project Based Assistance program. The Project Based Assistance program uses funding provided under the consolidated Annual Contributions Contract (*ACC*) for the tenant-based *Section 8* program. Project-based assistance is rental assistance that is attached to a structure. The *HACLA* Board of Commissioners must approve all assistance provided under this program.

PBV

Project-based Voucher program. See the program explanation in Chapter 3 of the Administrative Plan.

Person with a Disability

24 *CFR* Section 5.403 provides the following definition:

“Person with disabilities:

- (1) Means a person who:
 - (i) has a disability as defined in 42 U.S.C. 423 [i.e. the definition of disability used by the Social Security Administration],

(ii) is determined, pursuant to HUD regulations, to have a physical, mental, or emotional impairment which (A) is expected to be of long-continued and indefinite duration, (B) substantially impedes his or her ability to live independently, and (C) is of such a nature that the ability to live independently could be improved by more suitable housing conditions, or
(iii) has a developmental disability as defined in 42 U.S.C. 6001.

(2) Does not exclude persons who have the disease of acquired immunodeficiency syndrome or any condition arising from the etiologic agent for acquired immunodeficiency syndrome;

(3) For purposes of qualifying for low-income housing, does not include a person whose disability is based solely on any drug or alcohol dependence; and

(4) Means “individual with handicaps,” as defined in Section 8.3 of this title [24 CFR], for the purposes of reasonable accommodation and program accessibility for persons with disabilities.”

NOTE: For purposes of reasonable accommodation and program accessibility for persons with disabilities, the term “person with disabilities” (individual with handicaps) is defined in 24 CFR 8.3 and 24 CFR 100.201.

This definition states in part that an individual with handicaps is: “A person who has a physical or mental impairment that substantially limits one or more major life activities; has a record of such impairment; or is regarded as having such an impairment.”

“Major life activities” means “functions such as caring for one’s self, performing manual tasks, walking, seeing, hearing, speaking, breathing, learning and working.”

PHA (Public Housing Agency)

Public Housing Agency means any state, county, municipality or other governmental entity or public body, or agency or instrumentality of these entities, that is authorized to engage or assist in the development or operation of low-income housing under the 1937 Act. The Housing Authority of the City of Los Angeles (HACLA) is a Public Housing Agency.

PHA Plan

Annual and 5-year plans that a Public Housing Agency (*PHA*) must submit to *HUD* which provide a framework for local accountability and an easily identifiable source whereby the public may locate basic *PHA* policies, rules and requirements concerning the *PHA*’s operations, programs and services.

Power of Attorney

- Durable power of attorney:
A written, dated instrument by which an individual (the *principal*), prior to becoming

GLOSSARY

incapacitated, gives another person authority to be his/her *attorney in fact* in certain (or all) matters and which contains statements showing the intent of the principal to have that authority continue even if the principal becomes incapacitated later.

A durable power of attorney is legally sufficient if it satisfies all of the following requirements:

- (a) It contains the date of execution, which is prior to any subsequent incapacitation of the principal.
 - (b) It is signed either by the principal or by some other adult in the principal's name, at the principal's direction.
 - (c) It is either acknowledged by a notary public or signed by at least two witnesses who are adults and not the attorney in fact.
 - (d) It contains language showing the intent of the principal that the authority is to be exercisable notwithstanding his/her subsequent incapacity.
- Nondurable power of attorney:
A written instrument by which a *principal* designates another person as his/her *attorney in fact* which does NOT contain any statements showing the intent of the principal to have that authority continue should the principal become incapacitated.

Principal (Used with "attorney in fact")

The individual who grants a *power of attorney* to another person to legally act on the individual's behalf.

Priority 1 Preference

A HACLA local preference which moves the family to the top of its waiting list. A Priority 1 preference is provided for families referred to Special Programs and to families who are referred due to special circumstances. See Chapter 3, Applications, Referrals and Programs, of this Administrative Plan.

Project-based Assistance

Project-based assistance is rental assistance that is attached to a structure.

Proration

A requirement for mixed families. Dividing the number of persons in the family who are citizens or have eligible immigration status by the total number of persons in the family gives the proration percent. For example, if only four members of a five-person family have citizenship or eligible immigration status, the proration is 4 divided by 5 or 80 percent. A PHA can only provide 80 percent of the normal housing assistance payment for this family.

Provider/worker

For the purpose of determining whether an individual is a person with a disability under Section 504 of the Rehabilitation Act of 1973 and for the purpose of identifying a reasonable accommodation, a provider/worker, in accordance with the HACLA Manual of Policy and Procedure Chapter 125:1, Nondiscrimination on the Basis of Disability and Reasonable Accommodation Policy, is considered to be a reliable third party generally defined but not limited to:

A "Provider" is a medical or mental health care provider qualified to render a professional opinion in regard to the disability. Providers include but are not limited to: a licensed physician, physical therapist, and psychiatrist.

A "Worker" includes, but is not limited to, a social worker, caseworker, or counselor from a government or private agency who is in position to know of the individual's disability.

RAP

Rental Assistance Payment. In the *Shelter Plus Care (S+C)* program, the *housing assistance payment* made to the Contractor.

Reasonable Accommodation

A reasonable accommodation is a change, exception or adjustment that the HACLA can make to its rules, policy, practices, procedures or to its housing units that will provide an otherwise eligible family having a family member with a disability an equal opportunity to participate in and benefit from the programs administered by the HACLA. There must be an identifiable relationship between a requested accommodation and an individual's disability. The policy of reasonable accommodation does not require the HACLA to take any action it can demonstrate would result in a fundamental alteration of the program (24 CFR 8.24).

Reexamination Date

For tenancies entered into on 12/2/97 and later: the first of the month in which the lease started.

For tenancies which started 12/1/97 and earlier: for *tenant-based* programs, the first of the month following the expiration of the initial (one-year) term of the current *HAP Contract* for the unit; for *project-based* programs, the first of the month following the expiration of the initial (one-year) term of the assisted lease.

Referred Family

A family that has been referred to the HACLA for participation in its Special Programs or which has been referred due to special circumstances. These families are placed on the waiting list and receive a *Priority 1 preference* if they meet program criteria and other eligibility requirements. See Chapter 3, *Applications, Referrals and Programs*.

Rent to Owner

The total monthly rent payable to the owner under the lease for the unit. The assisted family is responsible for paying any difference between the rent to owner and the monthly

housing assistance payment. In project-based programs rent to owner is generally called the contract rent.

Request for Tenancy Approval (RFTA)

A form provided in the RFTA or orientation packet for the owner and family to complete which requests inspection of a unit and approval of a tenancy. It provides information required by the HACLA to process a Housing Assistance Payment Contract for an assisted unit in the tenant-based program. (Formerly called a Request for Lease Approval.)

Residency Preference

A preference for admission of families that reside (have a domicile or legal residency) within a county or municipality. If used, the preference must also be given to families with a member who works or has been hired to work in the area. The HACLA does not use this type of preference.

RFP

Request for Proposals. The method used by the HACLA to notify owners and other parties of program or funding availability and to invite applications.

RFTA

See *Request for Tenancy Approval*.

RSO

Rent Stabilization Ordinance, the Los Angeles City Ordinance that governs rent control.

S+C

The Shelter Plus Care Program

Section 3

Section 3 of the Housing and Urban Development Act of 1968 which provides economic opportunities for *low and very low income* persons and businesses in the areas of training, employment and contracts.

Section 8

Section 8 of the U.S. Housing Act of 1937 which authorizes various housing assistance programs.

Section 504

Section 504 of the Rehabilitation Act of 1973 which requires reasonable accommodation for the handicapped in all program areas.

Section 504 Coordinator

See *Accessibility Coordinator*. A designated HACLA employee who coordinates the

HACLA's compliance with *Section 504* of the Rehabilitation Act of 1973 which requires reasonable accommodation for the handicapped in all program areas.

Shelter Plus Care Program (S+C)

A Federal program designed to link rental assistance to homeless persons with disabilities and their families, and to link rental assistance to supportive services. Rental assistance can be provided through one of four components: tenant-based assistance, project-based assistance, sponsor-based assistance or assistance through the Moderate Rehabilitation for Single Room Occupancy Program (MRP-SRO). The program is authorized by title IV of the Stuart B. McKinney Homeless Assistance Act. Although this program provides rental assistance, it is not a Section 8 program. Contractors with the HACLA are required to locate eligible homeless individuals or families and to dollar match overall supportive services with housing assistance payments.

Single Person

A person who lives alone or intends to live alone, and who does not qualify as an Elderly Person, Disabled Person, or a Displaced Person or as the remaining member of a tenant family.

Single Room Occupancy (SRO)

Single Room Occupancy. A unit designed for occupancy by only one person, which need not but may contain food preparation or sanitary facilities or both.

Special Admissions

Admission of a person or *family* that is not on the HACLA waiting list or without considering the applicant's waiting list position. HUD targets certain classes of persons or families for this assistance. Special admissions are not subject to income *targeting requirements*.

Special Inspection

A HACLA inspection of a unit during the period of tenancy in response to an owner or family complaint about the condition of the unit.

Special Programs

Programs which the HACLA operates which serve special populations, special needs or which were designed for special purposes. Families that meet the program criteria and other eligibility requirements are placed on the waiting list with a *Priority 1 preference*. See Section 3.2, *Referrals*, of this Administrative Plan.

Special Reexamination

A reexamination of family income and family composition conducted by the HACLA because of special circumstances. E.G. because the family income was unstable at the time of an initial examination or an *annual reexamination*. [See Chapter 12, *Continuing Participation*, of this Administrative Plan.]

SRO (Single Room Occupancy)

Single Room Occupancy. A unit designed for occupancy by only one person, which need not but may contain food preparation or sanitary facilities or both.

Standards of Excellence

A set of performance and quality goals for permanent supportive housing programs, emergency shelters, and outreach programs. An initiative of Home For Good, in coordination with CSH, Shelter Partnership, Center for Urban and Community Services (CUCS) and Housing Innovations, they are a list of the most critical outcomes necessary to effectively reduce and end homelessness, and are a set of best practices to which service providers should aspire.¹

Subsidy Standard

Standards established by a *PHA* to determine the appropriate number of bedrooms and amount of subsidy for families of different sizes and compositions (24 CFR 982.4).

Supportive Services

Services that may include outpatient health services; employment counseling; nutritional counseling; information on obtaining furniture or clothing; security arrangements necessary for the protection of residents of facilities to assist the homeless; other services essential for maintaining independent living; assistance to individuals in obtaining other Federal, State and local assistance including mental health benefits, employment counseling, medical assistance and income support assistance; and residential supervision necessary to facilitate provision of supportive services to the residents.

TANF

Temporary Assistance for Needy Families - a federally subsidized program to provide assistance to needy families with children. This program replaced the program called Aid to Families with Dependent Children (*AFDC*). Aid to Families with Dependent Children, an open-ended federal entitlement program, was abolished by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 and replaced by block grants to States to provide time-limited cash assistance for needy families called "Temporary Assistance for Needy Families" (*TANF*).

Targeted Family

A family that meets *HUD's* income *targeting requirements*. A family whose gross income does not exceed *HUD's* *Extremely Low Income limits*.

Targeting Requirements

The Quality Housing and Work Responsibility Act of 1998 requires that 1) for *tenant-based* programs, in each *PHA* fiscal year not less than 75% of admissions from the *PHA's* waiting list must be families who are *extremely low income* families, and 2) for *project-based* programs, in each *PHA* or owner's fiscal year, not less than 40% of newly admitted families must be extremely low income families. *Special admissions* are not considered

¹ Access: October 9, 2013. www.homeforgoodla.org

in income targeting. A PHA or owner may obtain a *HUD* waiver for targeting in limited circumstances at HUD's sole discretion.

Tenant Rent (also called Family Rent to owner)

The monthly amount payable by the assisted family as rent to the owner. In the *tenant-based* program, Tenant Rent is calculated by subtracting the *Housing Assistance Payment* (HAP) to the owner from the *Rent to Owner*.

Tenant-based Assistance

Rental assistance that is not attached to a structure. If the assisted *family* moves from the assisted unit, rental assistance follows the family so long as the family is and remains in compliance with other program regulations.

Total Tenant Payment or TTP

The portion of the *gross rent* payable by an eligible *family* participating in assisted housing programs. The Total Tenant Payment is determined according to *HUD* regulations contained in *24 CFR* Part 5 and Section 3 (a) (1) of the 1937 Housing Act and may be modified by the application of a *utility allowance* or other formula prescribed by HUD.

UAP - Utility Assistance Payment

A utility reimbursement to the tenant. In *project-based* programs, an amount paid by the HACLA to the tenant which is the amount by which the *Utility Allowance* exceeds the family's *Total Tenant Payment*. In the *tenant-based* program, the portion of the *housing assistance payment* (HAP) which exceeds the amount of the *Rent to Owner*.

UIV or Upfront Income Verification

See *EV - Electronic Verification*.

Utility Allowance

An amount established by the HACLA in accordance with *HUD* regulations which is an estimate of the monthly costs of a reasonable consumption of such utilities and other services for the unit by an energy-conservative household of modest circumstances consistent with the requirements of a safe, sanitary and healthful living environment.

VASH

Veterans Affairs Supportive Housing program.

Very Low Income Family

A family whose annual income does not exceed 50% of the median income for the area, as determined by *HUD*, with adjustments for smaller and larger families. HUD may establish income limits higher or lower than 50% of the median income for an area on the basis of its findings that such variations are necessary because of unusually high or low family incomes.

Veteran

A person who has served in the active military, or naval service, (limited to the Army,

Navy, Air Force, Marine Corps and Coast Guard) of the United States at any time and who was discharged or released therefrom under conditions other than dishonorable.

Veteran Affairs Supportive Housing Program (VASH)

A joint national project of HUD and the Department of Veterans Affairs designed to enable homeless *veterans* who are afflicted with severe psychiatric or substance abuse disorders to locate affordable housing in an attempt to return the veteran to mainstream society. Referrals are made to the HACLA by the local VA office.

Voucher

The voucher or housing voucher is a document issued by the HACLA to a family selected for admission to the *tenant-based* voucher program. The voucher describes the program and the procedures for HACLA approval of a unit selected by the family. The voucher also states the obligations of the family under the program.

Voucher Payment Standard or VPS

In the *voucher (tenant-based)* program, an amount used by a Public Housing Agency (PHA) to calculate the *Housing Assistance Payment* for a family. The *payment standard* is the maximum monthly assistance payment for a family assisted in the voucher program (before deducting the *total tenant payment*). Each PHA may set its own payment standards within the “*basic range*” which is between 90% and 110% of HUD’s published *Fair Market Rent* for the area. In addition, a PHA may request HUD for exception payment standards for areas within its jurisdiction.

WBE

Women-owned Business Enterprise.

Welfare-To-Work (WTW) Program

This program subsidizes rents of *low-income families* receiving welfare assistance or recently off welfare, to enable them to rent units near available jobs, transportation or child care. The HACLA operates this program in coordination with the Los Angeles County Department of Public Social Services.

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APPENDIX 1

**AFFIRMATIVE ACTION POLICY AND PROGRAM
OF THE
HOUSING AUTHORITY OF THE CITY OF LOS ANGELES**

Adopted

June 27th, 1977

AFFIRMATIVE ACTION POLICY AND PROGRAM
OF THE
HOUSING AUTHORITY OF THE CITY OF LOS ANGELES

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AFFIRMATIVE ACTION POLICY AND PROGRAM
OF THE
HOUSING AUTHORITY OF THE CITY OF LOS ANGELES

POLICY STATEMENT

The Housing Authority of the City of Los Angeles is committed to Equal Opportunity for all segments of the community we serve. The Housing Authority's commitment to Equal Opportunity incorporates both the spirit and letter of all appropriate state and federal laws, regulations and Executive Orders. The Housing Authority shall design Employment and evaluate all its programs with consideration of principles of equal opportunity and "fair share" participation. This commitment shall be the Authority's own mandate against discrimination due to race, color, creed, religion sex, sexual orientation, national origin, age and physical handicap.

The Housing Authority's commitment to Equal Opportunity shall be carried forth through its Affirmative Action Program under the direction of the Board of Commissioners. The past denial of equal opportunities for development has permitted passive discrimination and inequality to continue. This Authority shall utilize its Affirmative Action Program to aggressively ensure the entry and opportunity for advancement for individuals of groups which have been objects of historical discrimination.

The affirmative Action Program of the Housing Authority is modeled after the federal regulations regarding mandated Affirmative Action Programs. This Authority's Affirmative Action Program shall conform with, but is not limited to, federal equal opportunity standards. This Authority has supplemented the federal requirements with additional local agency requirements. These additional local-agency requirements carry the intent of federal requirements, applying the requirements to scale and situations most appropriate to the operation of the Authority.

The Housing Authority of the City of Los Angeles, hereinafter referred to as the Authority, adopted Resolution #3971 on September 11, 1973, establishing an Equal Employment Opportunity Policy regarding employees, residents and other persons participating in the actives of the Authority That Policy and its Affirmative Action Program have been up-dated in this documents which is now called the Affirmative Action Policy and Program of the Housing Authority of the City of Los Angeles.

A. Duties and Responsibilities of Affirmative Action Officer(s)

Affirmative Action Officer(s) shall be appointed and necessary staff employed for the carrying out of the Program. The Affirmative Action Officer(s) shall report to the Board of Commissioners and to the Executive Director. The Affirmative Action Officer(s) shall work under the supervision of the Executive Director or his/her delegate. The duties and responsibilities of the Affirmative Action officer(s) and staff shall include but not necessarily be limited to the following:

- I. Periodic Review and Revision of the Affirmative Action Program to ensure that the policies and procedures established thereunder reflect a positive approach to equal employment opportunity that is oriented to achieve specific results through meaningful methods and procedures.
- II. Recommendations to the Executive Director and Board of Commissioner for Effectuation of the Program, for the development of controls to supervise the Program, and for the establishment of a system for demonstrating and reporting progress.
- III. Identification of Problems Areas by Organizational Unit and Job Categories where symptoms of discrimination appear such as, the absence of a representative sample of minority employees and women in all areas of the workforce; the concentration of minority employees and women in certain grades and/or occupations; the favoring of the one ethnic group over other groups, etc.
- IV. Assist Authority management in Achieving Program Goals, Timetables and specific actions and techniques to be initiated to overcome existing impediments to equal Employment opportunity which, generally, shall include; recruitment activities designed to reach and attract job candidates from all sources; full utilization of the present skills of employees and residents; and opportunities for employees and residents to enhance their skills, develop their potential and to advance in accordance with their abilities through training programs, advice, incentives and performance evaluation.
- V. Establishment of Controls and Procedures for internal Program evaluation; for monitoring of personnel practices of contractors and their subcontractors and vendors doing business with the Authority; for on-site inspections; and for the timely receipt of ethnic reports.
- VI. Investigation of Complaints alleging discrimination on the basis of illegal criteria (such as race, sex, sexual orientation, national origin, physical handicap, etc.) and preparation of recommendations to the Executive Director for solution.

- VII. Establishment of Communication and Cooperation with Community, public and private agencies, organizations, persons, etc, having direct relationship to the Affirmative Action Policy and Program with a view toward improving conditions which affect the employability of job candidates, the hiring of minority professional persons, and attaining equal economic opportunity for minority entrepreneurs.
- VIII. Review, Certify, and Recommend on all Authority Contracts and Awards relative to Equal Employment Opportunity and Affirmative Action requirements, prior to approval by the Board of Commissioners.
- IX. Prepare and Compile Equal Opportunity and Affirmative Action reports, rosters of minority contractors, professionals, businesses and enterprises and related publications.
- X. Advises and Consults with top-level management with regard to the Affirmative Action Policy and Program.
- XI. Attends Compliance Conferences, and hearings of the Fair Employment Practices Commissions, the Equal Rights Commission, the Equal Employment Opportunity Commission, and other agencies and organizations involved in Affirmative Action and equal opportunity practices and activities.
- XII. Provides Information to staff, contractors and vendors with regard to Federal and State regulations on Equal Employment Opportunity.
- XIII. Provides Information about minority group programs of the State and Federal governments and various apprenticeship and training programs, designed to encourage entrance of minorities and women into employment and training programs.

B. Dissemination

- I. Internally, the Authority shall disseminate its Affirmative Action Policy by:
- a. Incorporating the Affirmative Action Policy in the Manual entitled "Personnel Rules" by addendum.
 - b. Publicize the Affirmative Action Policy in its reports newsletters, etc. issued for circulation within the Authority.

- c. Where necessary, conduct special meetings with executive, management and supervisory personnel, and other concerned persons to explain the intent of the Affirmative Action Policy and for the fixing of individual responsibility for effective implementation.
 - d. Discuss the Affirmative Action Policy in both employee orientation and management training programs.
 - e. Post the Affirmative Action Policy on Authority bulletin boards which are available for inspection by employees, residents and the general public.
- II. Externally, the Authority shall disseminate its Affirmative Action Policy by the following means:
- a. Inform employment referral sources, verbally and in writing, of the Policy and stipulate that these sources should actively recruit and refer minorities and women for all positions.
 - b. Meet with labor union and employee organization officials to inform them of the Policy and request their cooperation.
 - c. Incorporate the following Equal Opportunity Clause in all purchase orders, leases, contracts, etc. covered by Executive Order No. 11246, as amended, and its implementing regulations.

EQUAL OPPORTUNITY CLAUSE

"During the performance of this contract, the contractor agrees as follows:

(1) The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, with out regard to their race, color, religion, sex or national origin. Such action shall include, but not be limited to the following: employment; upgrading; demotion or transfer; recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.

(2) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.

(3) The contractor will send to each labor union or representative of workers with which he has collective bargaining agreements or other contract or understanding, a notice to be provided by the Contract Compliance Officer advising the labor union or workers representatives of the contractor's commitment under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.

(4) The contractor will comply with all provisions of Executive order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the secretary of Labor, and with all Authority regulations relative to Affirmative Action.

(5) The contractor will furnish all information and reports required by the Authority's Affirmative Action Office, and by rules, regulations, and orders of the Office of Federal Contract Compliance, or Housing Authority rules pursuant thereto, and will permit access to his books, records, and accounts by the Authority's Affirmative Action Officer for purposes of investigation to ascertain compliance with such rules, regulations, and orders.

(6) In the event of the contractor's noncompliance with the non-discrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further Authority and Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the secretary of labor, or as otherwise provided by law.

(7) The contractor will include the portion of the sentence immediately preceding paragraph (1) and the provisions of paragraphs (1) through (7) in every subcontract or purchase order unless, exempted by rules, regulations or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order 11246 of September 24, 1965, So that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the Department may direct as a means of enforcing such provisions, including sanctions for non-compliance; provided, however, that in the event of contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the Department, the contractor may request the United States to enter into such litigation to protect the interest of the United States.

d. Notify minority organizations, community agencies, community

leaders, secondary schools and colleges of the Policy.

- e. When employees are pictured in consumer or help wanted advertising, both minority and non-minorities shall be depicted.
- f. Send written notification to all contractors and vendors of the Affirmative Action Compliance Requirements.

C. Employment and Economic Opportunity

- I. Applications for employment, upgrading of positions, transfer training, promotion or retention shall conform to Local, State and Federal Fair Employment Practice laws.
- II. Procedures for interviewing and selection of candidates for Employment, promotion and transfer shall be in accordance with Section 108.5 of the Personnel Rules, dated March 1973 entitled "Employment, Promotion and Placement" and copies shall be made available to each candidate. Efforts shall be made to increase at least one minority panelist on every interview panel used for personnel selection.
- III. Every level of management shall consider applicants for Employment, upgrading, promotion and retention on the basis of merit, in conduction with approved standardized employee selection procedures. Every test shall be content validated, where technically feasible, to assure each candidate equal Employment opportunity, bearing in mind that the use of testing procedures which adversely affect the opportunities of minority persons or women may violate Executive Order No. 11246, as amended.
- IV. Announcements of Employment opportunities shall be posted in a prominent place, available for inspection by employees, residents and interested members of the affected community. Advertising of employment opportunities outside the Authority shall include recognized publications and resources that reach minority groups and where pictures are employed, minority groups shall be portrayed.
- V. Whenever financially feasible, training programs sensitive to group differences and the opportunity to increase job skill shall be developed and made available to all employees and residents, in order to prepare them for Employment, promotion, etc. All feasible methods of communication shall be used to inform and direct employees in this regard. Whatever possible, training activities shall include instructions in intergroup relations.

- VI. The Authority shall take positive measures to ensure equal economic opportunities for minority businessmen and entrepreneurs, in its programs and activities particularly in connection with modernization and other maintenance and replacement programs.
- VII. In keeping with the stated HUD objectives for the encouragement of minority business enterprises and the Employment of minority persons in financial institutions, the Authority shall utilize minority owned financial institutions, to the maximum extent feasible, in accordance and consistent with the rules and regulations of the Federal Deposit Insurance Corporation, State and Local laws, Federal regulations and contract requirements.

D. Complaint Procedures

- I. Employees and applicants for employment, promotion, transfer retention or training may file a complaint, orally or in writing, based on alleged discrimination due to race, sex, sexual orientation, etc. and there shall be no reprisal therefor.
- II. Either when a complaint has been filed or when it shall appear to the Affirmative Action Officer that a discriminatory practice may have occurred, the Affirmative Action Officer may undertake an investigation and report the findings and recommendations, in writing, to the executive Director.

E. Contract Compliance

I. AFFIRMATIVE ACTION COMPLIANCE REQUIREMENTS OF THE HOUSING AUTHORITY OF THE CITY OF LOS ANGELES

The following standards must be met by all bidders on Authority Contracts and Authority Vendors, as demonstration of responsibility and compliance with the principles of Equal Employment Opportunity. The "lowest responsible bidder" for any Authority contract shall be the bidder with the lowest dollars bid amount, who satisfies the compliance requirements. (The Authority may, at its option, consider the bidder who substantially complies with the requirements, where none of the bidders completely satisfy all the requirements.)

All bidders for Authority contracts shall submit with their bid, documented evidence of satisfaction for the compliance requirements. Bidders shall provide information, as requested by the Housing authority Affirmative Action Office, for determination of compliance with these requirements. Additionally, bidders shall permit access to their books, records and employees by the Housing Authority Affirmative Action Office, in order to confirm or determine compliance with these requirements.

Responsible bidders shall have:

- a. A written Affirmative Action Policy and Program. This Affirmative Action Policy and Program shall contain, but not be limited to, all required contents elements specified in "Subpart B- required Contents of Affirmative Action Programs" of Revised Order No. Four of the office of Federal Contract Compliance, United States Department of Labor.

Bidders not having a written Affirmative Action Policy and Program may adopt, by signatory certification, the "Affirmative Action Policy and Program for Vendors" of the Housing Authority.

Evaluation of bidders Affirmative Action Policy and Program will be made by the Housing Authority Affirmative Action office. This evaluation will evaluate the completeness, the scope, the recency and the goals timetable in the bidder's affirmative Action Policy and Program.

- b. Documented evidence of efforts, made over a period of not less than two (2) years, in increasing the participation and utilization of ethnic minority persons and females, at all levels of the company leading to parity with the local population. Such documented evidence may include, but no be limited to:
 1. Recruitment efforts made which were targeted at ethnic minority persons and/or females, including but not limited to:
 - (a) Advertisement placed in "minority" news media.
 - (b) Requests made to labor referral agencies, such as labor unions, Employment agencies, and the State Employment Development Department.
 - (c) Requests for referrals by present or former ethnic minority employees of females.
 - (d) Contracts made with local schools and public or private skills

- training programs with high "minority" and/or female enrollment.
- (e) Notification to "minority" community organizations of employment opportunities.
2. Evaluation and validation of personnel policies, selection requirements and Employment specifications and procedures for compliance with Federal and State non-discrimination standards.
 3. Efforts made with labor referral agencies to attract, train and employ ethnic minority and female persons.
 4. Management level training programs to "sensitize" staff, in working effectively with ethnic minority and female persons.
 5. Efforts to identify and utilize "minority" business enterprises for supplies and services.
 6. Written company policies, rules and procedures for the promulgation of equal opportunity.
- c. Documented evidence of company workforce statistics, showing employment of ethnic minority and female persons, in all applicable job categories established by the United States Equal Employment Opportunity Commission, at or exceeding parity with the population of the city or county from which the business is operated, for each ethnic minority group comprising three (3%) percent or more.
 - d. Such documented evidence, when verified, will entirely satisfy these standards, and such bidder shall be considered responsible and compliant with the principles of Equal Employment Opportunity.
- II. The Affirmative Action Office shall develop procedures designed to ensure compliance by contractors and vendors.
 - III. The Affirmative Action Office shall see to it that the precise language of the equal opportunity clause for Federally assisted construction contracts as set out in Sub-Chapter B Part 130 (30 FR 12319 and 41 CFR 60) shall be included as a condition of any Authority contract or award which is subject to the requirements of the equal opportunity clause.

- IV. Monthly labor utilization reports shall be required on all construction related contracts. The Affirmative Action Office shall see to the timely receipt thereof, their verification and analysis. The Affirmative Action Office shall establish necessary administrative controls through on-site inspections and audits of contractor's personnel records. With regard to these controls, site inspections, employee interviews, etc., the Affirmative Action shall model its operations to comply with federal requirements.

- V. The Affirmative Action Office shall review and recommend, in writing, each contract or award before final approval by the Board of Commissioners. In determining the Affirmative Action recommendation, the Affirmative Action Office will consider 1) Satisfaction of the Housing Authority Affirmative Action requirements and all appropriate federal regulations 2) The past Affirmative Action record of the contractor or vendor on Authority work (3) The willingness of the contractor or vendor to provide information on his personnel practice. In the Event that the Affirmative Action Office determines the contractor/vendor does not satisfy all criteria, the Affirmative Action Office shall evaluate the next lowest bidder in the same manner. The Affirmative Action Office will report, in writing, the comparative evaluation of the two lowest bidders to the respective department head, who shall include this report with a total bid evaluation and recommendation to the Executive director.

F. Public Information

- I. The Affirmative Action Policy shall be part of the planning and interpretation of all the Authority's programs.

- II. Whenever feasible, bilingual staff shall be used and bilingual information shall be developed and communicated.

- III. Publicity shall be released for use by the various media to aid in the development and execution of the Affirmative Action Program.

G. Residents Housing Facilities

- I. The Prohibition against discrimination as generally and specifically set out in the rules and regulations of HUD are incorporated herein by reference.

- II. The Authority shall assign eligible applicants to dwelling units in accordance with a plan duly adopted by the Authority and approved by HUD.

- III. The area Directors of management shall have the principal responsibility within the Authority for obtaining compliance with this part.
- IV. The Authority shall keep such reports, in such form and contains such information, as HUD shall from time to time require to enable the Fair Housing Officer or the responsible HUD Official to ascertain compliance.
- V. The Fair Housing Officer shall from time to time review the practices of the Authority to determine whether there is compliance with their part.
- VI. Any applicant who believes himself to be subject to discrimination or who alleges a grievance under this part may files a timely complaint with the Fair Housing Officer and there may be no intimidation or retaliatory acts in reprisal thereof. Upon receipt of such complaint, the Fair Housing Officer shall make a prompt investigation, including but not limited to a review of the pertinent practices and policies of the Authority and the circumstances under which the possible non-compliance occurred. If an investigation discloses non-compliance, the Fair Housing Officer will so inform the Executive Director, in writing, and suggest appropriate corrective action. If an investigation does not warrant action, the Fair Housing Office will so inform the Executive Director and complainant in writing.

H. Establishment of Long Range Goals

The Long Range Program Goals, which address themselves to the basis problems that impede equal opportunity are, as follows:

- I. Equitable Overall Minority Employment
 - a. Under this goal the distribution of minority employees in the Authority's workforce should represent an equitable distribution of minorities in four grade ranges. Schedules 43 and below; 44 through 61; 62 through 75; and above 75. The goal established under I (above) is to be applied separately to each of the four grade rangers.
- II. Equitable Distribution of Minority Employees
 - a. Under this goal the distribution of minority employees in the Authority's workforce should represent an equitable distribution of minorities in four grade ranges. Schedules 43 and below; 44 through 61; 62 through 75; and above 75. The goal established under I (above) is to be applied separately to each of the four grade ranges.

- b. In a like manner, the distribution of minorities should be equitable throughout the classes or categories of employees of the Authority in proportion to their percentage of the workforce of the Authority.

III. Equitable Distribution of Women

- a. Under this goal a minimum of 1/6 of the total of female employees should be in grade of Schedules 53 through 66 and 1/6 of Schedules 76 and above. To reach this long range goals the Affirmative Action Program shall establish short range goals in the same manner as for minority employment.

IV. Eradication of Specific Distribution Problems

- a. This goal is designed to achieve the elimination of patterns of discrimination in occupational and women in certain occupations, and discrimination by hiring only one minority group to the detriment of others represented in the geographic area. The targets or short range goals shall be based on discriminatory patterns identified by statistical analysis of the workforce professions.

V. Economic Opportunity for Minorities, Minority Business and Enterprises.

- a. Achievement of this goal shall be attained by the development of a directory of minority-owned businesses qualified to perform work for the Authority will assist such minority business by providing information on prerequisite criteria to qualify for Authority contracts. The Affirmative Action Office, Technical Contracts and modernization Department, New Construction, and Purchasing Department shall work jointly to accomplish this end.
- b. The Authority shall grant first preference to qualified minority-owned businesses in awarding non-competitive bid contracts. Non-competitive-bid contracts are normally those agreements entered into to provide for any occasional professional, technical, or consultant services.
- c. A minority-owned business or enterprise is a firm whose ownership is controlled by a person of ethnic minority background, pursuant to U.S. Equal Employment Opportunity Commission categories.
- d. The Authority shall encourage utilization of minority-owned businesses through its special HUD approval program for small contractors. This Small Contractor's Set-Aside program will restrict

competition on a portion of the Authority's modernization work to eligible small contractors.

VI. Employment of Residents

- a. Under this goal employment policies and procedures shall be established covering recruitment, training and promotion of residents to the end that, within three years, a minimum of 2% residents to the shall be employed, including allowance for attrition. Where financially feasible, supportive service such as family counseling, budgeting, education, day care, health and transportation shall be offered. Where resources permit, a person of the Authority staff shall be assigned to develop a program providing increased employment opportunities to residents.
- b. The Authority, where feasible, shall develop opportunities for training and employment, arising out of or by virtue of any program, for persons residing in the housing facilities under the jurisdiction of the Authority and shall see to it that opportunities for training and employment arising in connection with any program or activity be given to members of racial, ethnic minorities and women in proportion to the number of such members residing in the housing facilities. Bearing in mind the HUD rules and regulations relating to non-discrimination in Federally-assisted Programs do not prohibit consideration of race, color, sex, national origin or residency, the Authority shall make all such opportunity programs available to all eligible persons.
- c. The Affirmative Action Plans and Steps (Timetables) for the implementation of the aforementioned seen goals are projected on an annual basis, commonly called short range or annual goals; these will be found in the Specific Action Plan for Achievement of Goals.

I. Modification

This Affirmative Action Program shall be modified from time to time to reflect legal and social requirements.

-END-

APPENDIX 2

AREAS OF MINORITY AND POVERTY CONCENTRATION

AND

CORRESPONDING RENTAL RANGES

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CHART EXPLANATION

The accompanying chart is based on extrapolation of data from the 2000 Census.

Area: Community Planning Area designated in the Consolidated Plan. The City of Los Angeles has been divided into 35 Community Planning Areas.

Concentration: is defined as a Community Planning Area in which the population of the represented group is more than 10 percent higher than the overall representation city-wide.

Minority: Any of the following groups - Latino, African-American, Asian-Pacific, Native American-Pacific Islander. Due to Native Americans representing only 0.2% of the City's population, there is no area of concentration for this group. This designation is not included in the accompanying chart.

Rel. to Median: Reflects whether the rentals in an area are above or below the median rent for Los Angeles.

Poverty: Area in which the poverty rate is higher than 22.1% as determined by the 2000 Census.

Chart Information:

Dark gray indicates areas of minority or poverty concentration are generally present throughout an entire Community Planning Area.

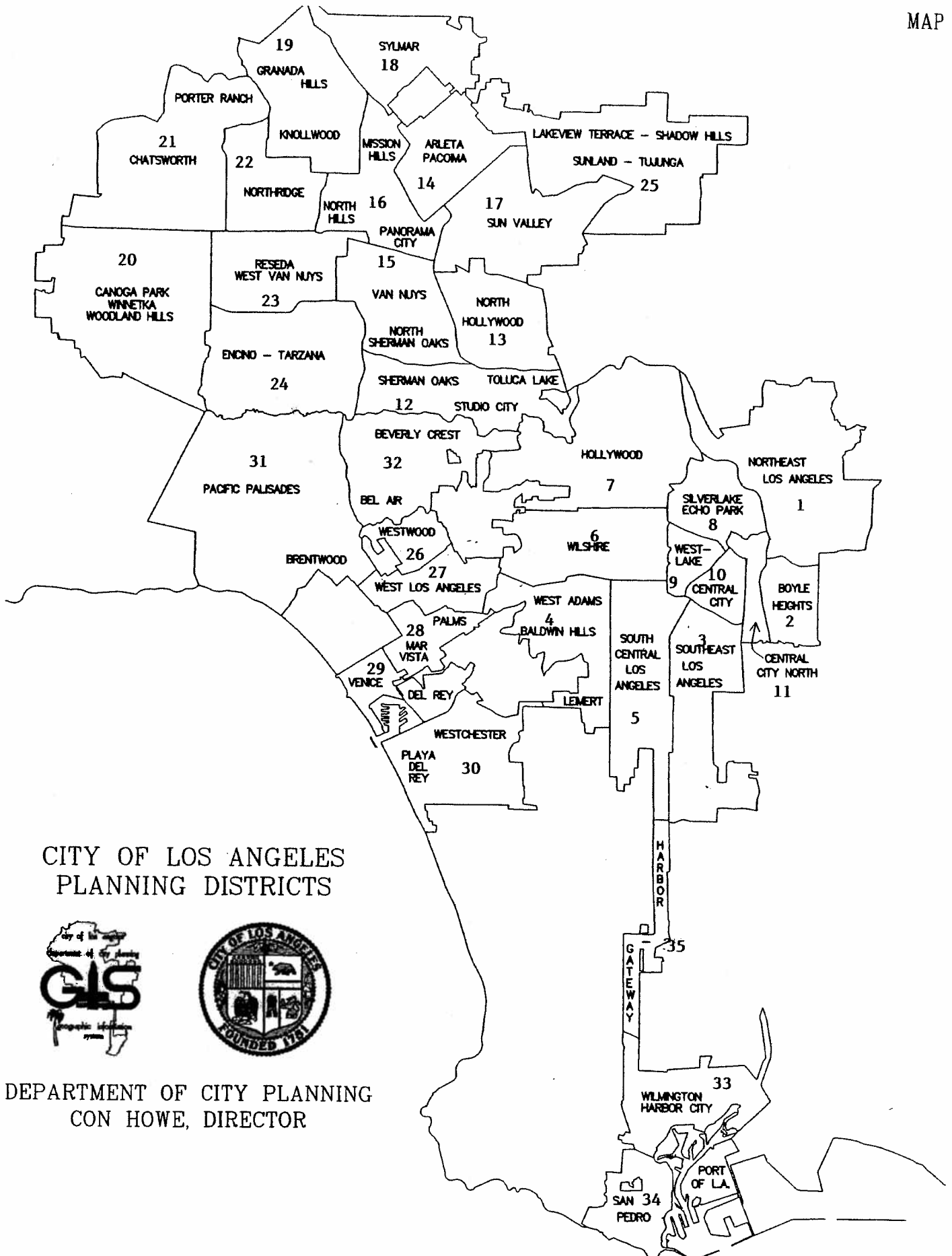
Light Gray indicates that only a portion of the Community Planning Area meets the Census definition of poverty (22.1%). The portions which meet the definition are indicated in the shaded box.

Rental areas indicate whether the prevalent rental rates are above or below the city-wide median rent. If large portions of the area rent both above and below the median but there is little correlation to poverty census tracts, the area is designated as "split." If there are large areas renting at above and below median rent but a high correlation to poverty, the area is designated "below in poverty area."

NOTE: HUD sets its Fair Market Rents at the 40th percentile of rents in the metropolitan statistical area, not at the median rent. A PHA may set its voucher payment standards within the "basic range," defined by HUD as being between 90% and 110% of the Fair Market Rent.

AREAS OF MINORITY AND POVERTY CONCENTRATION

Community Planning Area	Latino	African Am.	Asian - Pac. Is.	Poverty	Relation to Median Rent
1 Northeast					below
2 Boyle Heights					below
3 Southeast					below
4 W. Adams/Baldwin Hills/Leimert Park					below
5 South L.A.					below
6 Wilshire				eastern	below in poverty area
7 Hollywood				south	below
8 Silverlake/Echo Park					below
9 Westlake					below
10 Central City					below
11 Central City North					below
12 Sherman Oaks/Studio City/Toluca Lake					above
13 North Hollywood				north & east	below in poverty area
14 Arleta/Pacoima					split
15 Van Nuys/ N. Sherman Oaks				north	below in poverty area
16 Mission Hills/Panorama City/ N. Hills/Sepulveda				south	below in poverty area
17 Sun Valley					split
18 Sylmar					above
19 Granada Hills/Knollwood					above
20 Canoga Pk/Woodland Hills/Winnetka/ West Hills					above
21 Chatsworth/Porter Ranch					above
22 Northridge					above
23 Reseda/West Van Nuys					above
24 Encino/Tarzana					above
25 Sunland/Tujunga/Shadow Hills/Lakeview T					above
26 Westwood					above
27 W. LA/Century City/Rancho Park					above
28 Palms/Mar Vista/Del Rey					above
29 Venice					above
30 Westchester/Playa Del Ray					above
31 Brentwood/Pacific Palisades					above
32 Bel Aire/Beverly Crest					above
33 Wilmington/Harbor City					below
34 San Pedro				east	East = below
35 Harbor Gateway					below



CITY OF LOS ANGELES
PLANNING DISTRICTS



DEPARTMENT OF CITY PLANNING
CON HOWE, DIRECTOR

APPENDIX 3

HACLA MANUAL OF POLICY AND PROCEDURE PART I

CHAPTER 125:1

NONDISCRIMINATION ON THE BASIS OF DISABILITY

AND

REASONABLE ACCOMMODATION POLICY

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**NONDISCRIMINATION ON THE BASIS OF DISABILITY
AND REASONABLE ACCOMMODATION POLICY**

- I. General Policy
- II. Applicability
- III. Definitions
- IV. Notification Regarding Reasonable Accommodations Policy
- V. Program Accessibility
- VI. Examples of Reasonable Accommodations
- VII. Disallowed Accommodations
- VIII. Reasonable Accommodation Request
- IX. Request for Consideration of Mitigating Circumstances
- X. Reasons for Denial of Accommodation Request
- XI. Response to Requests
- XII. Grievances
- XIII. Oversight and Records

**NONDISCRIMINATION ON THE BASIS OF DISABILITY
AND REASONABLE ACCOMMODATION POLICY**

I. GENERAL POLICY

- A. It is the policy of the Housing Authority of the City of Los Angeles (HACLA) to comply fully with the Fair Housing Act, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act, the Unruh Act, and the California Fair Employment and Housing Act. The policy incorporates by reference the requirements of those laws and applicable regulations.
- B. The HACLA strives to provide equal opportunity for all individuals, (including individuals with disabilities and families that include a member with disabilities), to participate in and benefit from programs that are administered by the HACLA. The HACLA will provide reasonable accommodations under all its programs properties, and related facilities in accordance with this policy. The HACLA will seek to identify and eliminate conditions that create barriers to equal opportunity and, whenever possible, will make physical and procedural changes in order to reasonably accommodate people with disabilities.
- C. The HACLA will be thorough and prompt in reviewing accommodation requests and will explain the basis of any denial.
- D. The HACLA will review all requests for a reasonable accommodation on a case-by-case basis and there is no limit to the number of reasonable accommodation requests a client may make.
- E. It is the responsibility of the Client to identify the type of accommodation best suited to their disability needs. Clients are encouraged to communicate alternative accommodations that would meet their needs. HACLA may enter into negotiation with the Client to identify alternative accommodations if the initial request is not reasonable.
- F. Through its marketing/outreach program the HACLA seeks to attract a broad section of low-income families, including person(s) with disabilities.
- G. The HACLA will make written communications available to Clients in alternative formats such as Braille, large print, audio, or electronic formats if requested by a Client with a disability or a disabled family member.
- H. The Director of Planning shall be designated as the Accessibility (Section 504) Coordinator for the HACLA and will be responsible for the coordination of compliance activities, record keeping, and shall be the final determiner of accommodation grievances.

**NONDISCRIMINATION ON THE BASIS OF DISABILITY
AND REASONABLE ACCOMMODATION POLICY**

II. APPLICABILITY

This policy applies to all clients of HACLA programs including but not limited to:

- Public (or Conventional) Housing Program
- Section 8 Housing Choice Voucher Program
- Section 8 New Construction Housing Assistance Payments Program
- McKinney Vento Programs (Shelter Plus Care and HOPWA)
- Other programs (both housing and non-housing) administered by the HACLA. Non-housing programs include, but are not limited to, those services/programs provided by the Resident Services division.

III. DEFINITIONS (Listed in alphabetical order)

1. Client

For the purpose of this policy, Client shall mean a current or former: applicant for, participant in, or resident of a HACLA housing or non-housing program.

2. Individuals with a Disability

Individuals with disabilities are defined as persons with a physical or mental impairment that limits one or more major life activities; has a record of such impairments; or is regarded as having such an impairment.

The term does not include any individual who is an alcoholic or drug abuser whose current use of alcohol or drugs prevents the individual from participating in the program or activity in question, or whose participation, by reason of such current alcohol or drug abuse, would constitute a direct threat to property or the safety of others.

a) Family with a member with disabilities

As used in this chapter, the term family with a member with disabilities means a family that consists of: 1) a sole disabled member or 2) several members, at least one of whom is a disabled person

b) Has a record of such an impairment

Means has a history of, or has been misclassified as having, a mental or physical impairment that limits one or more major life activities.

c) Is regarded as having an impairment means

**NONDISCRIMINATION ON THE BASIS OF DISABILITY
AND REASONABLE ACCOMMODATION POLICY**

- 1) Has a physical or mental impairment that does not limit one or more major life activities but is treated by HACLA as constituting such a limitation;
- 2) Has a physical or mental impairment that limits one or more major life activities only as a result of the attitudes of HACLA staff toward such impairment; or
- 3) Has no impairments but is treated by HACLA staff as having impairment.

d) Major life activities

Functions such as, but not limited to: caring for one's self, performing manual tasks, walking, seeing, hearing, speaking, breathing, learning, and working.

3. Live-in Aide

A live- in aide is a person who resides with one or more elderly persons, near-elderly persons or persons with disabilities and who is:

- (1) determined to be essential to the care and well-being of the persons;
- (2) is not obligated for the support of the persons; and
- (3) would not be living in the unit except to provide the necessary supportive services.

Per HUD guidelines, for the Section 8 program, occasional, intermittent, multiple or rotating care givers are considered guests or employees, not Live-in Aide(s) – for the purpose of listing on the HUD 50058.

4. Mitigating Circumstances

A disability related situation that effects an individual's or household's ability to comply with the HACLA program requirements and results in an adverse action by the HACLA against the Client. Examples of an adverse action include, but are not limited to: eviction, termination, removal from the waiting list, or cancellation of a voucher.

5. Nexus

The connection or link between the stated disability and the accommodation requested.

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6. Provider/Worker

A Provider/Worker is a reliable third party generally defined but not limited to:

A “Provider” is a medical or mental health care provider qualified to render a professional opinion in regard to the disability. Providers include but are not limited to: a licensed physician, physical therapist, and psychiatrist.

A “Worker” includes, but is not limited to, a social worker, caseworker, or counselor from a government or private agency who is in position to know of the individual’s disability.

7. Reasonable Accommodation

A reasonable accommodation is a change, exception or adjustment that the HACLA makes to its rules, policies, practices, procedures or to its housing units or common areas that will provide a person with a disability an equal opportunity to participate in and benefit from the programs administered by the HACLA.

A reasonable accommodation does not include accommodations that would require a fundamental alteration to the nature of HACLA’s operations or program rules or would create an undue financial or administrative hardship.

There must be an identifiable relationship (“nexus”) between a requested accommodation and an individual’s disability.

IV. NOTIFICATION REGARDING REASONABLE ACCOMMODATION POLICY

- A. Each HACLA business office will post a current HACLA Notice of Nondiscrimination (S504-01) that provides information about the HACLA's reasonable accommodation policy and examples of accommodations that a program participant may request. As needed, the Notice and/or a copy of this policy may be made available in alternative format upon request of a person with disabilities.
- B. Copies of the policy, procedures, and forms will be available on the HACLA Intranet/Internet and at each program office.
- C. The Notice and the Special Needs Questionnaire (S504-02) - the form that provides the Client with an opportunity to request a reasonable accommodation - will be provided in re-examination packets, applications, at voucher issuance sessions, resident orientations, and Resident

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Services program orientations. The forms may be provided at any time at the request of a Client.

- D. Section 8 staff, Housing Services staff and/or Resident Services staff will provide information on the reasonable accommodation request process, the forms used to request reasonable accommodation and assistance in completing forms as necessary.

V. PROGRAM ACCESSIBILITY

- A. **Non-Housing Facilities.** New non-housing facilities will be made readily accessible to and usable by individuals with disabilities. Existing facilities are made accessible to individuals with disabilities to the maximum extent feasible (without imposing undue financial and administrative burdens on the HACLA operations).
- B. **New Construction.** New multifamily projects shall be accessible to and usable by people with disabilities as required under current law and applicable regulation. For public housing units a minimum of five percent of the total dwelling units will be made accessible for persons with mobility impairments and an additional two percent of the units will be made accessible for persons with hearing or vision impairments.
- C. **Alterations to HACLA-Owned Existing Housing.** As alterations are undertaken to existing housing developments that have 15 or more units, and the cost of the alterations is 75 percent or more of the replacement costs, the HACLA will modify its units in accordance with the needs of the resident population. Reasonable modifications to units will be made at no charge to a resident who has verified a need for the modification due to his/her disability as defined under federal law. Persons who have a disability as defined under CAL-FEHA, but not under federal law, may request the HACLA's approval for unit modifications to be installed at the resident's own expense.
- D. **Tenant-Based Section 8 Department Programs.** The HACLA encourages owners to provide accessible units and reasonable accommodations to Section 8 Program applicants and participants. Households with a disabled member may request owner approval for unit modifications. Clients are encouraged to consult with disability rights specialists and/or the HACLA website www.hacla.org/504 for information regarding tenant/landlord responsibilities regarding unit/common area modifications. The HACLA's contracts shall include the necessary language to assure nondiscrimination. In addition, the HACLA maintains a

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list of properties which owners have described as accessible to its Section 8 Program applicant and participant families.

- E. Public Meetings.
1. To the greatest extent possible, public meetings will be held in accessible locations.
 2. Reasonable accommodations for persons with disabilities will be available upon request.
 - a. Requests for sign language interpretation should be made at least five (5) working days prior to the scheduled meeting to ensure availability. Requests received with less notice will be accommodated to the extent available.
 - b. Notices announcing meetings will include contact information to request accommodations.

VI. EXAMPLES OF REASONABLE ACCOMMODATIONS

The following are examples of reasonable accommodations; it is not intended to be an exclusive list.

- A. If a person with disabilities is unable to come to the office due to a disability, a HACLA staff member may upon the Client's request:
1. Re-schedule the interview to accommodate the family's needs;
 2. Conduct the interview by phone and mail the documents to the family for signature(s); or
 3. Schedule a non-office visit (e.g. visit at home or nursing home).
- B. If a person with disabilities has difficulty understanding or filling out forms, the HACLA staff shall assist the individual if requested and advise the person with disabilities that he or she may bring someone with him or her to assist with the interview.
- C. If a person with disabilities has a hearing impairment, the HACLA shall provide a Sign Language Interpreter if requested five (5) working days in advance.

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- D. If a person with disabilities has a vision impairment, if requested, the HACLA staff shall:
 - 1. Assist as a reader in completing forms;
 - 2. Permit the interview to be recorded;
 - 3. Allow the individual to bring someone to assist him/her; or
 - 4. Provide alternate format materials, such as large print documents.
- E. Provide a space to accommodate an assistive animal or device.
- F. Reissue a voucher so that the family can locate a unit that has necessary accessibility features.
- G. Extend the voucher search time so family can locate unit with necessary accessible features.
- H. Provide a larger subsidy size in order to rent a larger bedroom size unit to accommodate special needs such as accessibility, a live-in aide, rotating caregivers, or large medical equipment.
- I. Provide an exception to the Fair Market Rents or Voucher Payment Standards to allow the family to rent a unit accessible to the family.
- J. Provide an exception to the “renting to relatives rule”.
- K. Provide an exception to the HACLA unit guest policy for rotating caregivers.
- L. Provide time and/or assistance for HACLA unit preparation for bed bug treatment.
- M. Make physical modifications to a common area.
- N. Accessible Units

Examples of unit modifications include but are not limited to:

- 1. A fully accessible unit.
- 2. A unit equipped with a smoke alarm and/or other amenities such as a flashing doorbell designed for persons with a hearing impairment.

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3. Grab bars, handrails, or lever handles instead of knobs at doors and sinks.
4. If a public housing household has a member with disabilities that needs a reasonable accommodation, and the current unit cannot be reasonably modified, the resident will be offered a transfer to a suitable unit in accordance with the transfer procedure outlined in the Admissions and Continuing Occupancy Policy (MPP 201:1).

VII. DISALLOWED ACCOMMODATIONS

The following accommodations are prohibited per federal regulations.

A. Medical Marijuana

HUD has determined that the use of medical marijuana, as allowed by State law, is disqualified from protection under the Americans with Disabilities Act and Section 504 of the Rehabilitation Act. As such, any request for a reasonable accommodation approving the use of medical marijuana will be denied.

B. Shared Housing

Dwelling units where the owner resides in the unit and is related by blood or marriage to the Section 8 voucher holder cannot be occupied by the Section 8 voucher holder as a reasonable accommodation.

VIII. REASONABLE ACCOMMODATION REQUEST

The HACLA will give equal consideration to a reasonable accommodation request even if it is made orally or in writing on other than HACLA's standard forms.

A Client may request a reasonable accommodation at any time.

- A. A Client may request a reasonable accommodation by submitting a Reasonable Accommodation Questionnaire (S504-02) or current request form, or through other written or oral format that provides the pertinent information needed. The Questionnaire (S504-02) form is included in application and income re-examination packets. A Client may request the form from HACLA staff and submit it at any other time as needed.

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- B. Except in situations when a Client is able to self-certify as outlined in Section D below, the nexus between the disability and the accommodation requested shall be verified by the Provider/Worker indicated by the individual on the Questionnaire form (S504-02). The Client may provide other acceptable documentation in line with HACLA's verification hierarchy.
- C. Other acceptable documentation includes but is not limited to a letter to the HACLA from a Provider/Worker on his/her letterhead. Such documentation will be accepted in lieu of the Certification form (S504-03) if the documentation identifies: 1) the individual as a person with disabilities 2) the accommodation requested; and 3) link (nexus) between the disability and the requested accommodation.
- D. As an alternative to third party verification process, a person with disabilities may self-certify his/her disability and his/her need for an accommodation if the following conditions exist:
 - 1. The individual has an obvious and/or visible disability (such as an individual who regularly uses a walker or an individual with a hearing impairment) and
 - 2. The accommodation requested is clearly related to the individual's disability (for example, a mobility-impaired person requests a grab bar or a hearing-impaired person requests a sign language interpreter).

IX. REQUEST FOR CONSIDERATION OF MITIGATING CIRCUMSTANCES

- A. A family with member with a disability who would normally be/or was denied, terminated from a HACLA program, or evicted from HACLA-owned housing due to the family's action or inaction may request consideration of mitigating circumstances related to a disability.
- B. Facts regarding mitigating circumstances shall be verified in accordance with the procedures found in Section VII of MPP 125:1A.
- C. Based upon the documentation provided, a mitigating circumstance shall be granted if:
 - 1. The action or inaction of the family was due to a family member's disability; and

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- 2. A reasonable accommodation related to the person would allow the person to fulfill program obligations or requirements.
- D. The family may be (where appropriate) required to enter into an agreement with the HACLA that outlines the conditions that the family will follow to ensure that they meet and maintain the essential eligibility requirements for participation in a specific program.
- E. A recurrence of the action or inaction by the family following the granted reasonable accommodation due to mitigated circumstances may result in denial, termination or eviction. However, HACLA will evaluate any further reasonable accommodation requests on a case by case basis, even where the Client has previously received an accommodation regarding action or inaction that violated program rules.

X. REASONS FOR DENIAL OF ACCOMMODATION REQUESTS

The following are reasons why a request for a reasonable accommodation may be denied:

- A. Constitutes a direct threat to the health and safety of other individuals;
- B. Results in substantial physical damage to the property of others;
- C. Results in a fundamental alteration of the program;
- D. Causes an undue administrative or financial burden, if granted;
- E. There is no clear relationship (nexus) between the disability and the requested accommodation;
- F. Inability to obtain verification that a disability exists in cases when the disability is not evident;
- G. The Client fails to provide information or documentation as requested by the HACLA (case may be reopened once all necessary documentation is provided), or
- H. The accommodation has been previously granted, but was not effective in enabling the person with disabilities to meet the statutory eligibility requirements of the program.

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XI. RESPONSE TO REQUESTS

- A. The HACLA will promptly respond in writing to a request for a reasonable accommodation or consideration of mitigating circumstances with a decision or a request for additional information not to exceed 30 calendar days from receipt of verification(s).
- B. When a request for additional information is made, the Client must respond within 15 calendar days of such request, except in cases of extenuating circumstances.

A request may be reopened if the documentation is received after the stated deadline.

- C. Upon receipt of the necessary information, the HACLA will respond within 30 calendar days, except in cases of extenuating circumstances. In such cases of delay, the HACLA will notify the Client in writing why additional time is needed to respond to the request.
- D. HACLA will take into consideration a Client's disability and its impact on the Client's ability to comply with deadlines.

XII. GRIEVANCES

The HACLA will provide a two-tier Grievance process. The first step is an Appeal to the Department Director or his/her designee (such as Section 8 Director, Housing Services Director, Asset/Grant Management Director or LOMOD Director) and the final step is a Grievance to the Accessibility Coordinator.

- A. Tier One: Appeal
 - 1. If a request for a reasonable accommodation is denied or a Client believes that they have been discriminated against due to their disability, the Client may first submit an appeal to the pertinent Department Director. A request for an appeal must be in writing and received by the HACLA within 30 calendar days of the Client being notified of the initial denial or discrimination incident.
 - 2. The pertinent Director (or his/her designee) shall review the case and if necessary consult with the Accessibility Coordinator to ensure that the decision is in accordance to ADA and Fair Housing guidelines and HACLA policy.

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3. If more information is required from the Client, the Client shall have up to 15 calendar days to provide the requested documentation to the HACLA.
 4. Once the pertinent Director (or his/her designee) has all the documentation necessary to review the case, the HACLA has 30 calendar days to provide the Client with a determination on his/her appeal.
 5. If the appeal is denied, the Client is to be notified of their right to file a grievance within 15 calendar days of notification of the denial.
- B. Tier Two: Grievance
1. A Client may submit a request for a grievance to the Accessibility Coordinator upon notification of denial of their appeal. The Client has 30 calendar days from the date of the denial to file a grievance.
 2. A final determination of the denial shall be provided to the Client within 30 calendar days from HACLA's receipt of the grievance request or after all necessary documentation has been received by the HACLA.
- C. Grievances may be submitted on the HACLA Reasonable Accommodation or Disability Discrimination Grievance form (S504-08) or in another written format that provides the same information as requested on the HACLA form. The Grievance form is available on the HACLA website.
- D. In communicating with a Client during the grievance process, HACLA will take into consideration a client's disability and its impact on the client's ability to comply with deadlines.

XIII. OVERSIGHT AND RECORDS

- A. The Accessibility Coordinator will maintain the files and records of the HACLA relating to the complaints that are sent to the Accessibility Coordinator's office as required by federal regulations.
- B. All communication and documentation regarding reasonable accommodation requests are to remain in the Client's file. Staff is to ensure that data regarding reasonable accommodation requests is updated in the applicable business software system.

APPENDIX 4

**SCHEDULES OF FAIR MARKET RENTS AND
HACLA VOUCHER PAYMENT STANDARDS**

HISTORICAL FAIR MARKET RENTS
As published in the Federal Register

Effective Date	SRO	0	1	2	3	4	5	6
10/1/1990	402	536	642	747	957	1081	1243	
10/1/1991	422	562	683	804	1005	1126	1295	
10/1/1992	434	579	704	829	1036	1161	1335	
10/1/1993	428	570	683	864	1167	1391	1600	
10/1/1994	435	580	695	880	1188	1416	1628	1841
10/1/1995¹	423	564	676	855	1154	1377	1584	1790
10/1/1996	422	563	675	854	1153	1375	1581	1788
10/1/1997²	365	486	583	737	995	1187	1365	1543
10/1/1998	371	494	592	749	1011	1206	1387	1568
10/1/1999	379	505	605	766	1033	1233	1418	1603
10/1/2000	387	516	618	782	1055	1260	1449	1638
10/1/2001	407	543	650	823	1110	1325	1523	1722
10/1/2002³	478	638	764	967	1305	1558	1791	2025
10/1/2003	505	674	807	1021	1378	1646	1892	2139
10/1/2004	559	746	900	1124	1510	1816	2088	2360
10/1/2005	592	789	952	1189	1597	1921	2209	2497
10/1/2006	633	843	1016	1269	1704	2051	2358	2666
10/1/2007	647	863	1041	1300	1746	2101	2416	2731
10/1/2008	678	904	1090	1361	1828	2199	2528	2858
10/1/2009	707	943	1137	1420	1907	2295	2639	2984
10/1/2010	730	973	1173	1465	1967	2367	2722	3077
10/1/2011	721	961	1159	1447	1943	2338	2689	3039
10/1/2012	683	911	1101	1421	1921	2140	2461	2782
10/1/2013	672	896	1083	1398	1890	2106	2422	2738
10/1/2014	685	913	1103	1424	1926	2145	2467	2789
10/1/2015	710	947	1154	1490	2009	2227	2561	2895
10/1/2016	741	988	1195	1545	2079	2303	2648	2993
10/1/2017	800	1067	1284	1663	2231	2467	2837	3207
10/1/2018	868	1158	1384	1791	2401	2641	3037	3433
10/1/2019	959	1279	1517	1956	2614	2857	3285	3714

¹ Prior to 10/1/95 FMRs were established by HUD at the 45th percentile of median rents. Since 10/1/95 FMRs have been set at the 40th percentile.

² FMRs effective 10/1/97 were reduced by HUD due to a Random Digit Dialing Survey of the Los Angeles/Long Beach Metropolitan Statistical Area undertaken in 1997.

³ Published FMRs effective 10/1/2002 were higher than HUD's proposed FMRs due to HUD's Random Digit Dialing Survey of the Los Angeles/Long Beach Metropolitan Statistical Area performed during the Summer of 2002.

VOUCHER PAYMENT STANDARDS

Effective Date	SRO	0	1	2	3	4	5	6
10/1/1998 ⁴	371	494	592	749	1011	1206	1387	1568
10/1/1999	379	505	605	766	1033	1233	1418	1603
10/1/2000	387	516	618	782	1055	1260	1449	1638
11/1/2000 ⁵	425	567	679	860	1160	1386	1593	1801
9/1/2001 ⁶	455	608	729	921	1244	1486	1708	1931
11/1/2001 ⁷	479	640	766	970	1309	1563	1797	2031
10/1/2002	504	673	805	1020	1376	1644	1890	2137
11/1/2002 ⁸	564	752	900	1140	1538	1838	2113	2389
10/1/2003	596	795	951	1204	1625	1941	2231	2523
4/2/2004 ⁹	505	674	807	1021	1378	1646	1892	2139
2/1/2005 ¹⁰	505	674	810	1021	1378	1646	1892	2139
10/1/2005 ¹¹	533	711	857	1071	1438	1729	1989	2248
5/1/2006 ¹²	592	789	952	1189	1597	1921	2209	2497
10/1/2006 ^j	633	843	1016	1269	1704	2051	2358	2666
5/1/2007 ¹³	682	910	1097	1370	1840	2225	2547	2880
10/1/2007	698	932	1124	1404	1885	2269	2609	2949
12/1/2008	732	976	1177	1469	1974	2374	2730	3086
12/1/2009 ¹⁴	679	905	1092	1363	1831	2203	2534	2864
12/1/2010 ¹⁵	732	976	1177	1469	1974	2374	2730	3086
12/1/2011 ¹⁶	732	976	1177	1469	1974	2374	2730	3086
12/1/2012 ¹⁷	719	958	1156	1443	1939	2331	2681	3031
7/1/2013 ¹⁸	683	911	1046	1350	1825	2140	2461	2782
12/1/2013 ¹⁹	683	911	1046	1350	1825	2140	2461	2782
12/1/2014	719	1004	1213	1495	1939	2316	2664	3011
12/1/2015	744	1041	1269	1564	2021	2404	2765	3126
11/1/2016	776	1086	1314	1622	2099	2486	2858	3231
11/1/2017	880	1173	1412	1829	2454	2713	3120	3527
10/1/2018	954	1273	1522	1970	2641	2905	3340	3776
12/1/2019	959	1279	1668	2151	2641	2905	3340	3776

Subsequent pages provide the HACLA's payment standards since 11/1/2001. For additional information on earlier payment standards, consult earlier versions of the Section 8 Administrative Plan.

⁴ The HACLA Board of Commissioners approved a revised Section 8 Administrative Plan in June 1998 which set the payment standards equal to the published Fair Market Rents. In 1998 HUD approved 23 exception rent areas for the HACLA. Nine areas were set at 110% of the FMR, three areas at 115% of the FMR and 11 areas at 120% of the FMR. These exception payment standards become effective 4/1/1999. The Final Merger Rule, effective 10/1/1999, allowed Housing Authorities additional leeway in setting payment standards - anywhere in a "basic range" of 90% to 110% of the published FMR.

⁵ The HACLA changed its regular voucher payment standard to 110% of the published FMR effective 11/1/2000.

⁶ The HUD L.A. Office granted the HACLA authority to use success rate payment standards based on 50th percentile rents. The HACLA set its payment standards at 110% of the 50th percentile rents in effect for FY 2001.

⁷ Payment Standard set at 110% of 50th percentile for FY2002 (Success Rate Payment Standard) until 4/2/2004

⁸ Payment Standard based on final published FY2003 50th percentile vs proposed.

⁹ Payment Standard reduced to 100% of 40th percentile of FY 2004 FMR due to HUD and Congressional budgetary requirements for FY2004 funding. (Ref. PIH 2004-07)

¹⁰ One bedroom rate raised to equal 90% of published FY 2005 FMR.

¹¹ All Payment Standards set at 90% of published FY2006 FMR.

¹² Payment Standards set at 100% of FY2006 & 100% of FY 2007 FMR

¹³ Payment Standards set at 108% of FY2007 FMR.

¹⁴ Payment Standards set at 96% of FY2010 FMR. Effective December 1, 2009 for vouchers issued for initial contracting and recontracting. For continuing participants, the effective date is February 1, 2010, however the lower VPS will not be used to calculate the HAP until the second annual reexamination which follows the decrease.

¹⁵ Payment Standards set at 100.3% of FY2011 FMR. Effective December 1, 2010 for vouchers issued for initial contracting and recontracting. For continuing participants, the effective date is February 1, 2011.

¹⁶ Payment Standards set at 101.54% of FY2012 FMR.

¹⁷ Effective December 1, 2012 for vouchers issued for initial contracting and recontracting. For continuing participants, the effective date is January 1, 2013.

¹⁸ Effective July 1, 2013 for vouchers issued for initial contracting and recontracting. For continuing participants, the lower VPS will not be used to calculate the HAP until the second annual reexamination which follows the decrease. However, for continuing participants with a change in the subsidy standard (voucher bedroom size), the new VPS is effective at the first annual reexamination following the effective date of the decrease in VPS.

¹⁹ Payment Standards set between 96.6% and 101.7% of FY2014 FMR.

SUCCESS RATE PAYMENT STANDARDS

In a letter dated August 31, 2001, the HUD L.A. Office (Jason Badalpour for Bob Cook) authorized the use of Success Rate Payment Standards (SRPS) in the tenant-based program for the entire jurisdiction of the HACLA. The SRPS are based on the 50th percentile rents as determined by HUD.

The HACLA implemented the SRPS effective September 1, 2001, based on the 50th percentile rents for FY 2001 and set its payment standards at 110% of the 50th percentile.

Effective November 1, 2001, the HACLA revised its SRPS upward to equal 110% of the 50th percentile rents for FY 2002.

In a letter dated December 17th, 2001, the HUD L.A. Office (William Barth) confirmed that the SRPS at 110% of the 50th percentile rents could be used as the rent standards for the HOPWA program. The HACLA revised its HOPWA rent standards to 110% of the 50th percentile rents effective January 1, 2002.

End of Success Rate Payment Standards

In FY 2004 Congress and HUD changed how funds would be allocated for Section 8 Vouchers. As a result the HACLA found itself overleased and forced to abandon success rate payment standards. The HACLA Board of Commissioners set the payment standards at 100% of the published FMRs effective April 2, 2004 (Board Resolution # 8168 approved 3/26/2004).

TENANT-BASED PROGRAM

SUCCESS RATE PAYMENT STANDARDS (SRPS) and TENANT-BASED SHELTER PLUS CARE PAYMENT STANDARDS EFFECTIVE 11/1/2001

Payment Standards are set at 110% of the FY 2002 **50th** percentile rents.

A **unit** exception is available at 120% of the FY 2002 **40th** percentile rents for a reasonable accommodation for a family containing a person with a disability. The disability must be verified in writing by a physician or medical provider and the unit must provide an accommodation required by the medical condition.

Bedroom Size	Success Rate Payment Standard [VS2]	120% of 40th percentile [H02]
Mobile H. Space [all sizes = MN1]	\$431	This column is ONLY for a Reasonable Accommodation verified by a medical provider
SRO	\$479	\$488
0	\$640	\$651
1	\$766	\$780
2	\$970	\$987
3	\$1,309	\$1332
4	\$1,563	\$1590
5	\$1,797	\$1827
6	\$2,031	\$2066
7	\$2,266	\$2305

Regardless of its location, or whether the unit is providing a reasonable accommodation, the unit's rent can **never** be higher than the comparable rents determined by the Housing Authority.

There are no area exception rents for HCVP or S+C tenant-based at this time.

FAMILY SHARE REMINDER: At the starting date of the initial HAP contract for a unit (lease-in-place or otherwise) the family share cannot be greater than 40% of the family's adjusted monthly income. If the family is recontracting in the **exact same** unit as the old HAP contract, the family share can exceed 40%. This is a statutory and regulatory requirement. There are absolutely no exceptions and HUD headquarters (D.C.) cannot grant a waiver on this matter.

Family Share is **Gross Rent minus the HAP**. [24 CFR 982.515(a)]

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VPS-hopFMR-2002

HOPWA CERTIFICATE PROGRAM

HOPWA SUCCESS RATE RENT STANDARDS Based on Success Rate Payment Standards (SRPS)

EFFECTIVE 1/1/2002

Rent Standards are set at 110% of the FY 2002 **50th** percentile rents.

A **unit** exception is available at 120% of the FY 2002 **40th** percentile rents for a reasonable accommodation for a family containing a person with a disability.

The disability must be verified in writing by a physician or medical provider and the unit must provide an accommodation required by the medical condition.

Bedroom Size	Success Rate Rent Standard [HS2]	120% of 40th percentile [XS2]
Mobile H. Space [all sizes = MN1]	\$431	This column is ONLY for a Reasonable Accommodation verified by a medical provider
SRO	\$479	\$488
0	\$640	\$651
1	\$766	\$780
2	\$970	\$987
3	\$1,309	\$1332
4	\$1,563	\$1590
5	\$1,797	\$1827
6	\$2,031	\$2066
7	\$2,266	\$2305

Regardless of its location, or whether the unit is providing a reasonable accommodation, the unit's rent can **never** be higher than the comparable rents determined by the Housing Authority.

There are no area exception rents for HOPWA tenant-based units at this time.

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VPS-hopSRPS-2002

TENANT-BASED PROGRAM

SUCCESS RATE PAYMENT STANDARDS (SRPS) and TENANT-BASED SHELTER PLUS CARE PAYMENT STANDARDS

EFFECTIVE 10/1/2002

Payment Standards are set at 110% of the proposed FY 2003 **50th** percentile rents.

A **unit** exception is available at 120% of the FY 2003 proposed **40th** percentile rents for a reasonable accommodation for a family containing a person with a disability.

The disability must be verified in writing by a physician or medical provider and the unit must provide an accommodation required by the medical condition.

Bedroom Size	Success Rate Payment Standard [VS3]	120% of 40th percentile [H03]
Mobile H. Space [all sizes = MN3]	\$438	This column is ONLY for a Reasonable Accommodation verified by a medical provider
SRO	\$504	\$513
0	\$673	\$685
1	\$805	\$819
2	\$1,020	\$1038
3	\$1,376	\$1400
4	\$1,644	\$1672
5	\$1,890	\$1923
6	\$2,137	\$2174
7	\$2,383	\$2425

Regardless of its location, or whether the unit is providing a reasonable accommodation, the unit's rent can **never** be higher than the comparable rents determined by the Housing Authority.

There are no area exception rents for HCVP or S+C tenant-based at this time.

FAMILY SHARE REMINDER: At the starting date of the initial HAP contract for a unit (lease-in-place or otherwise) the family share cannot be greater than 40% of the family's adjusted monthly income. If the family is recontracting in the **exact same** unit as the old HAP contract, the family share can exceed 40%. This is a statutory and regulatory requirement. There are absolutely no exceptions and HUD headquarters (D.C.) cannot grant a waiver on this matter.

Family Share is **Gross Rent minus the HAP**. [24 CFR 982.515(a)]

FOR OFFICE USE ONLY

HOPWA CERTIFICATE PROGRAM

HOPWA SUCCESS RATE RENT STANDARDS Based on Success Rate Payment Standards (SRPS)

EFFECTIVE 10/1/2002

Rent Standards are set at 110% of the proposed FY 2003 **50th** percentile rents.

A **unit** exception is available at 120% of the FY 2003 proposed **40th** percentile rents for a reasonable accommodation for a family containing a person with a disability.

The disability must be verified in writing by a physician or medical provider and the unit must provide an accommodation required by the medical condition.

Bedroom Size	Success Rate Rent Standard [HS3]	120% of 40th percentile [XS3]
Mobile H. Space [all sizes = MN3]	\$438	This column is ONLY for a Reasonable Accommodation verified by a medical provider
SRO	\$504	\$513
0	\$673	\$685
1	\$805	\$819
2	\$1,020	\$1038
3	\$1,376	\$1400
4	\$1,644	\$1672
5	\$1,890	\$1923
6	\$2,137	\$2174
7	\$2,383	\$2425

Regardless of its location, or whether the unit is providing a reasonable accommodation, the unit's rent can **never** be higher than the comparable rents determined by the Housing Authority.

There are no area exception rents for HOPWA tenant-based units at this time.

FOR OFFICE USE ONLY

VPS-hopSRPS-03

Based on HUD's *proposed* FMRs for FY 2003

TENANT-BASED PROGRAM

SUCCESS RATE PAYMENT STANDARDS (SRPS) and TENANT-BASED SHELTER PLUS CARE PAYMENT STANDARDS

EFFECTIVE 11/1/2002 for Contracts
Effective 2/1/2003 for Annual Reexaminations

Payment Standards are set at 110% of the FY 2003 **50th** percentile rents.

A **unit** exception is available at 120% of the FY 2003 **40th** percentile rents for a reasonable accommodation for a family containing a person with a disability.

The disability must be verified in writing by a physician or medical provider and the unit must provide an accommodation required by the medical condition.

Bedroom Size	Success Rate Payment Standard [VA3]	120% of 40th percentile [HA3]
Mobile H. Space [all sizes = MN3]	\$438	This column is ONLY for a Reasonable Accommodation verified by a medical provider
SRO	\$564	\$573
0	\$752	\$765
1	\$900	\$916
2	\$1,140	\$1160
3	\$1,538	\$1566
4	\$1,838	\$1869
5	\$2,113	\$2149
6	\$2,389	\$2430
7	\$2,664	\$2710

Regardless of its location, or whether the unit is providing a reasonable accommodation, the unit's rent can **never** be higher than the comparable rents determined by the Housing Authority.

There are no area exception rents for HCVP or S+C tenant-based at this time.

FAMILY SHARE REMINDER: At the starting date of the initial HAP contract for a unit (lease-in-place or otherwise) **if the Gross Rent is higher than the appropriate payment standard**, the family share cannot be greater than 40% of the family's adjusted monthly income. If the family is recontracting in the **exact same** unit as the old HAP contract, the family share can exceed 40%. This is a statutory and regulatory requirement. There are absolutely no exceptions and HUD headquarters (D.C.) cannot grant a waiver on this matter.

Family Share is **Gross Rent minus the HAP**. [24 CFR 982.515(a)]

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VPS-hopSRPS-11-02

HOPWA CERTIFICATE PROGRAM

HOPWA SUCCESS RATE RENT STANDARDS Based on Success Rate Payment Standards (SRPS)

EFFECTIVE 11/1/2002

Rent Standards are set at 110% of the FY 2003 **50th** percentile rents.

A **unit** exception is available at 120% of the FY 2003 **40th** percentile rents for a reasonable accommodation for a family containing a person with a disability.

The disability must be verified in writing by a physician or medical provider and the unit must provide an accommodation required by the medical condition.

Bedroom Size	Success Rate Rent Standard [HC3]	120% of 40th percentile [XA3]
Mobile H. Space [all sizes = MN3]	\$438	This column is ONLY for a Reasonable Accommodation verified by a medical provider
SRO	\$564	\$573
0	\$752	\$765
1	\$900	\$916
2	\$1,140	\$1160
3	\$1,538	\$1566
4	\$1,838	\$1869
5	\$2,113	\$2149
6	\$2,389	\$2430
7	\$2,664	\$2710

Regardless of its location, or whether the unit is providing a reasonable accommodation, the unit's rent can **never** be higher than the comparable rents determined by the Housing Authority.

There are no area exception rents for HOPWA tenant-based units at this time.

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VPS-hopSRPS-11-02

TENANT-BASED PROGRAM

SUCCESS RATE PAYMENT STANDARDS (SRPS)

EFFECTIVE 10/1/2003

Payment Standards are set at 110% of the FY 2004 **50th** percentile rents.

A **unit** exception is available at 120% of the FY 2004 **40th** percentile rents for a reasonable accommodation for a family containing a person with a disability.

The disability must be verified in writing by a physician or medical provider and the unit must provide an accommodation required by the medical condition.

Bedroom Size	Success Rate Payment Standard [VS4]	120% of 40th percentile [H04]
Mobile H. Space [all sizes = MN4]	\$463	This column is ONLY for a Reasonable Accommodation verified by a medical provider
SRO	\$596	\$606
0	\$795	\$808
1	\$951	\$968
2	\$1,204	\$1,225
3	\$1,625	\$1,653
4	\$1,941	\$1,975
5	\$2,231	\$2,270
6	\$2,523	\$2,566
7	\$2,814	\$2,863

Regardless of its location, or whether the unit is providing a reasonable accommodation, the unit's rent can **never** be higher than the comparable rents determined by the Housing Authority.

There are no area exception rents for HCVP or S+C tenant-based at this time.

FAMILY SHARE REMINDER: At the starting date of the initial HAP contract for a unit (lease-in-place or otherwise) **if the Gross Rent is higher than the appropriate payment standard**, the family share cannot be greater than 40% of the family's adjusted monthly income. If the family is recontracting in the **exact same** unit as the old HAP contract, the family share can exceed 40%. This is a statutory and regulatory requirement. There are absolutely no exceptions and HUD headquarters (D.C.) cannot grant a waiver on this matter.

Family Share is **Gross Rent minus the HAP**. [24 CFR 982.515(a)]

FOR OFFICE USE ONLY

VPS-hopSRPS-2003

HOPWA CERTIFICATE PROGRAM

HOPWA SUCCESS RATE RENT STANDARDS Based on Success Rate Payment Standards (SRPS)

EFFECTIVE 10/1/2003

Rent Standards are set at 110% of the FY 2004 **50th** percentile rents.

A **unit** exception is available at 120% of the FY 2004 **40th** percentile rents for a reasonable accommodation for a family containing a person with a disability.

The disability must be verified in writing by a physician or medical provider and the unit must provide an accommodation required by the medical condition.

Bedroom Size	Success Rate Rent Standard [HS4]	120% of 40th percentile [X04]
Mobile H. Space [all sizes = MN3]	\$463	This column is ONLY for a Reasonable Accommodation verified by a medical provider
SRO	\$596	\$606
0	\$795	\$808
1	\$951	\$968
2	\$1,204	\$1,225
3	\$1,625	\$1,653
4	\$1,941	\$1,975
5	\$2,231	\$2,270
6	\$2,523	\$2,566
7	\$2,814	\$2,863

Regardless of its location, or whether the unit is providing a reasonable accommodation, the unit's rent can **never** be higher than the comparable rents determined by the Housing Authority.

There are no area exception rents for HOPWA tenant-based units at this time.

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VPS-hopSRPS-2003

TENANT-BASED PROGRAM

PAYMENT STANDARDS

EFFECTIVE 4/2/2004

(Annual Reexams 7/1/2004 if voucher bedroom size changed)

Payment Standards are set at 100% of the FY 2004 FMR.

A **unit** exception is available at 120% of the FY 2004 **40th** percentile rents for a reasonable accommodation for a family containing a person with a disability.

The disability must be verified in writing by a physician or medical provider and the unit must provide an accommodation required by the medical condition.

Bedroom Size	FY 2004 FMR Payment Standard [V04]	120% of 40th percentile [H04]
Mobile H. Space [all sizes = MN4]	\$463	This column is ONLY for a Reasonable Accommodation verified by a medical provider
SRO	\$505	\$606
0	\$674	\$808
1	\$807	\$968
2	\$1,021	\$1,225
3	\$1,378	\$1,653
4	\$1,646	\$1,975
5	\$1,892	\$2,270
6	\$2,139	\$2,566
7	\$2,386	\$2,863

Regardless of its location, or whether the unit is providing a reasonable accommodation, the unit's rent can **never** be higher than the comparable rents determined by the Housing Authority.

There are no area exception rents for HCVP or S+C tenant-based at this time.

FAMILY SHARE REMINDER: At the starting date of the initial HAP contract for a unit (lease-in-place or otherwise) **if the Gross Rent is higher than the appropriate payment standard**, the family share cannot be greater than 40% of the family's adjusted monthly income. If the family is recontracting in the **exact same** unit as the old HAP contract, the family share can exceed 40%. This is a statutory and regulatory requirement. There are absolutely no exceptions and HUD headquarters (D.C.) cannot grant a waiver on this matter.

Family Share is **Gross Rent minus the HAP**. [24 CFR 982.515(a)]

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VPS-hop04-04

HOPWA CERTIFICATE PROGRAM

HOPWA RENT STANDARDS Based on 100% of the FY 2004 FMR EFFECTIVE 4/2/2004

Rent Standards are set at 100% of the FY 2004 FMR.

A **unit** exception is available at 120% of the FY 2004 **40th** percentile rents for a reasonable accommodation for a family containing a person with a disability.

The disability must be verified in writing by a physician or medical provider and the unit must provide an accommodation required by the medical condition.

Bedroom Size	FY 2004 FMR Rent Standard [HA4]	120% of 40th percentile [X04]
Mobile H. Space [all sizes = MN3]	\$463	This column is ONLY for a Reasonable Accommodation verified by a medical provider
SRO	\$505	\$606
0	\$674	\$808
1	\$807	\$968
2	\$1,021	\$1,225
3	\$1,378	\$1,653
4	\$1,646	\$1,975
5	\$1,892	\$2,270
6	\$2,139	\$2,566
7	\$2,386	\$2,863

Regardless of its location, or whether the unit is providing a reasonable accommodation, the unit's rent can **never** be higher than the comparable rents determined by the Housing Authority.

There are no area exception rents for HOPWA tenant-based units at this time.

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VPS-hop04-04

TENANT-BASED PROGRAM

PAYMENT STANDARDS

EFFECTIVE February 1, 2005
Reexaminations July 1, 2005 (Earlier if BR size is changed)

Payment Standards are set at the rates below.

A **unit** exception is available at 120% of the FY 2005 **40th** percentile rents for a reasonable accommodation for a family containing a person with a disability.

The disability must be verified in writing by a physician or medical provider and the unit must provide an accommodation required by the medical condition.

Bedroom Size	FY 2005 Payment Standard [V05]	120% of 40th percentile [H05]
Mobile H. Space [all sizes = MN4]	485	This column is ONLY for a Reasonable Accommodation verified by a medical provider
SRO	505	\$670
0	674	\$895
1	810	\$1,080
2	1,021	\$1,348
3	1,378	\$1,812
4	1,646	\$2,179
5	1,892	\$2,505
6	2,139	\$2,832
7	2,386	\$3,159

Regardless of its location, or whether the unit is providing a reasonable accommodation, the unit's rent can **never** be higher than the comparable rents determined by the Housing Authority.

There are no area exception rents for HCVP or S+C tenant-based at this time.

FAMILY SHARE REMINDER: At the starting date of the initial HAP contract for a unit (lease-in-place or otherwise) **if the Gross Rent is higher than the appropriate payment standard**, the family share cannot be greater than 40% of the family's adjusted monthly income. If the family is recontracting in the **exact same** unit as the old HAP contract, the family share can exceed 40%. This is a statutory and regulatory requirement. There are absolutely no exceptions and HUD headquarters (D.C.) cannot grant a waiver on this matter.

Family Share is **Gross Rent minus the HAP**. [24 CFR 982.515(a)]

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VPS-hop02-05

HOPWA CERTIFICATE PROGRAM

HOPWA RENT STANDARDS

EFFECTIVE February 1, 2005

Rent Standards are set at the rates below.

A **unit** exception is available at 120% of the FY 2005 **40th** percentile rents for a reasonable accommodation for a family containing a person with a disability.

The disability must be verified in writing by a physician or medical provider and the unit must provide an accommodation required by the medical condition.

Bedroom Size	FY 2005 Rent Standard [HA5]	120% of 40th percentile [X05]
Mobile H. Space [all sizes = MN3]	485	This column is ONLY for a Reasonable Accommodation verified by a medical provider
SRO	505	\$670
0	674	\$895
1	810	\$1,080
2	1,021	\$1,348
3	1,378	\$1,812
4	1,646	\$2,179
5	1,892	\$2,505
6	2,139	\$2,832
7	2,386	\$3,159

Regardless of its location, or whether the unit is providing a reasonable accommodation, the unit's rent can **never** be higher than the comparable rents determined by the Housing Authority.

There are no area exception rents for HOPWA tenant-based units at this time.

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VPS-hop02-05

TENANT-BASED PROGRAM

PAYMENT STANDARDS

EFFECTIVE October 1, 2005

Reexaminations December 1, 2005 (Earlier if BR size is changed)

Payment Standards are set at the rates below.

A **unit** exception is available at 110% or 120% of the FY 2005 **40th** percentile rents for a reasonable accommodation for a family containing a person with a disability.

The disability must be verified in writing by a physician or medical provider and the unit must provide an accommodation required by the medical condition.

Bedroom Size	FY 2006 Payment Standard [V06]	110% of 40 th percentile [E06]	120% of 40 th percentile [H06]
Mobile H. Space [all sizes = MN6]	513	ONLY for a Reasonable Accommodation	ONLY for a Reasonable Accommodation
SRO	533	651	710
0	711	867	946
1	857	1,047	1,142
2	1,071	1,307	1,426
3	1,438	1,756	1,916
4	1,729	2,113	2,305
5	1,989	2,429	2,650
6	2,248	2,746	2,996
7	2,507	3,063	3,342

Regardless of its location, or whether the unit is providing a reasonable accommodation, the unit's rent can **never** be higher than the comparable rents determined by the Housing Authority.

There are no area exception rents for HCVP or S+C tenant-based at this time.

FAMILY SHARE REMINDER: At the starting date of the initial HAP contract for a unit (lease-in-place or otherwise) **if the Gross Rent is higher than the appropriate payment standard**, the family share cannot be greater than 40% of the family's adjusted monthly income. If the family is recontracting in the **exact same** unit as the old HAP contract, the family share can exceed 40%. This is a statutory and regulatory requirement. There are absolutely no exceptions and HUD headquarters (D.C.) cannot grant a waiver on this matter.

Family Share is Gross Rent minus the HAP. [24 CFR 982.515(a)]

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VPS-hop10-05

HOPWA CERTIFICATE PROGRAM

HOPWA RENT STANDARDS

EFFECTIVE October 1, 2005

Reexaminations December 1, 2005 (Earlier if BR size is changed)

Rent Standards are set at the rates below.

A **unit** exception is available at 110% or 120% of the FY 2005 **40th** percentile rents for a reasonable accommodation for a family containing a person with a disability.

The disability must be verified in writing by a physician or medical provider and the unit must provide an accommodation required by the medical condition.

Bedroom Size	FY 2006 Rent Standard [HA6]	110% of 40 th percentile [EH6]	120% of 40 th percentile [X06]
Mobile H. Space [all sizes = MN6]	513	ONLY for a Reasonable Accommodation	ONLY for a Reasonable Accommodation
SRO	533	651	710
0	711	867	946
1	857	1,047	1,142
2	1,071	1,307	1,426
3	1,438	1,756	1,916
4	1,729	2,113	2,305
5	1,989	2,429	2,650
6	2,248	2,746	2,996
7	2,507	3,063	3,342

Regardless of its location, or whether the unit is providing a reasonable accommodation, the unit's rent can **never** be higher than the comparable rents determined by the Housing Authority.

There are no area exception rents for HOPWA tenant-based units at this time.

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VPS-hop10-05

TENANT-BASED PROGRAM

PAYMENT STANDARDS

EFFECTIVE May 1, 2006

Reexaminations July 1, 2006 (Earlier if BR size is changed)

Payment Standards are set at the rates below.

A **unit** exception is available at 110% or 120% of the FY 2007 **40th** percentile rents for a reasonable accommodation for a family containing a person with a disability.

The disability must be verified in writing by a physician or medical provider and the unit must provide an accommodation required by the medical condition.

Bedroom Size	FY 2007 Payment Standard [VA6]	110% of 40 th percentile [E06]	120% of 40 th percentile [H06]
Mobile H. Space [all sizes = MN6]	513	ONLY for a Reasonable Accommodation	ONLY for a Reasonable Accommodation
SRO	592	651	710
0	789	867	946
1	952	1,047	1,142
2	1,189	1,307	1,426
3	1,597	1,756	1,916
4	1,921	2,113	2,305
5	2,209	2,429	2,650
6	2,497	2,746	2,996

Regardless of its location, or whether the unit is providing a reasonable accommodation, the unit's rent can **never** be higher than the comparable rents determined by the Housing Authority.

There are no area exception rents for HCVP or S+C tenant-based at this time.

FAMILY SHARE REMINDER: At the starting date of the initial HAP contract for a unit (lease-in-place or otherwise) **if the Gross Rent is higher than the appropriate payment standard**, the family share cannot be greater than 40% of the family's adjusted monthly income. If the family is recontracting in the **exact same** unit as the old HAP contract, the family share can exceed 40%. This is a statutory and regulatory requirement. There are absolutely no exceptions and HUD headquarters (D.C.) cannot grant a waiver on this matter.

Family Share is Gross Rent minus the HAP. [24 CFR 982.515(a)]

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VPS-hop05-2006

HOPWA CERTIFICATE PROGRAM

HOPWA RENT STANDARDS

EFFECTIVE May 1, 2006

Reexaminations July 1, 2006 (Earlier if BR size is changed)

Rent Standards are set at the rates below.

A **unit** exception is available at 110% or 120% of the FY 2005 **40th** percentile rents for a reasonable accommodation for a family containing a person with a disability.

The disability must be verified in writing by a physician or medical provider and the unit must provide an accommodation required by the medical condition.

Bedroom Size	FY 2006 Payment Standard [HB6]	110% of 40 th percentile [E06]	120% of 40 th percentile [H06]
Mobile H. Space [all sizes = MN6]	513	ONLY for a Reasonable Accommodation	ONLY for a Reasonable Accommodation
SRO	592	651	710
0	789	867	946
1	952	1,047	1,142
2	1,189	1,307	1,426
3	1,597	1,756	1,916
4	1,921	2,113	2,305
5	2,209	2,429	2,650
6	2,497	2,746	2,996

Regardless of its location, or whether the unit is providing a reasonable accommodation, the unit's rent can **never** be higher than the comparable rents determined by the Housing Authority.

There are no area exception rents for HCVP or S+C tenant-based at this time.

FAMILY SHARE REMINDER: At the starting date of the initial HAP contract for a unit (lease-in-place or otherwise) **if the Gross Rent is higher than the appropriate payment standard**, the family share cannot be greater than 40% of the family's adjusted monthly income. If the family is recontracting in the **exact same** unit as the old HAP contract, the family share can exceed 40%. This is a statutory and regulatory requirement. There are absolutely no exceptions and HUD headquarters (D.C.) cannot grant a waiver on this matter.

Family Share is Gross Rent minus the HAP. [24 CFR 982.515(a)]

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VPS-hop 05-2006

TENANT-BASED PROGRAM

PAYMENT STANDARDS

EFFECTIVE October 1, 2006

Reexaminations November 1, 2006 (Earlier if BR size is changed)

Payment Standards are set at 100% of the FY 2007 FMR.

A **unit** exception is available at 110% or 120% of the FY 2007 **40th** percentile rents for a reasonable accommodation for a family containing a person with a disability.

The disability must be verified in writing by a physician or medical provider and the unit must provide an accommodation required by the medical condition.

Bedroom Size	FY 2007 Payment Standard [V07]	110% of 40 th percentile [E07]	120% of 40 th percentile [H07]
Mobile H. Space [all sizes = MN7]	\$543	ONLY for a Reasonable Accommodation	ONLY for a Reasonable Accommodation
SRO	\$633	\$696	\$759
0	\$843	\$927	\$1,011
1	\$1,016	\$1,117	\$1,219
2	\$1,269	\$1,395	\$1,522
3	\$1,704	\$1,874	\$2,044
4	\$2,051	\$2,256	\$2,461
5	\$2,358	\$2,593	\$2,829
6	\$2,666	\$2,932	\$3,199

Regardless of its location, or whether the unit is providing a reasonable accommodation, the unit's rent can **never** be higher than the comparable rents determined by the Housing Authority.

There are no area exception rents for HCVP or S+C tenant-based at this time.

FAMILY SHARE REMINDER: At the starting date of the initial HAP contract for a unit (lease-in-place or otherwise) **if the Gross Rent is higher than the appropriate payment standard**, the family share cannot be greater than 40% of the family's adjusted monthly income. If the family is recontracting in the **exact same** unit as the old HAP contract, the family share can exceed 40%. This is a statutory and regulatory requirement. There are absolutely no exceptions and HUD headquarters (D.C.) cannot grant a waiver on this matter.

Family Share is Gross Rent minus the HAP. [24 CFR 982.515(a)]

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VPS-hop10-2006

HOPWA CERTIFICATE PROGRAM

HOPWA RENT STANDARDS

EFFECTIVE OCTOBER 1, 2006

Reexaminations November 1, 2006 (Earlier if BR size is changed)

Rent Standards are set at 100% of the FY 2007 FMR.

A **unit** exception is available at 110% or 120% of the FY 2007 **40th** percentile rents for a reasonable accommodation for a family containing a person with a disability.

The disability must be verified in writing by a physician or medical provider and the unit must provide an accommodation required by the medical condition.

Bedroom Size	FY 2007 Payment Standard [HA7]	110% of 40 th percentile [E07]	120% of 40 th percentile [H07]
Mobile H. Space [all sizes = MN7]	\$543	ONLY for a Reasonable Accommodation	ONLY for a Reasonable Accommodation
SRO	\$633	\$696	\$759
0	\$843	\$927	\$1,011
1	\$1,016	\$1,117	\$1,219
2	\$1,269	\$1,395	\$1,522
3	\$1,704	\$1,874	\$2,044
4	\$2,051	\$2,256	\$2,461
5	\$2,358	\$2,593	\$2,829
6	\$2,666	\$2,932	\$3,199

Regardless of its location, or whether the unit is providing a reasonable accommodation, the unit's rent can **never** be higher than the comparable rents determined by the Housing Authority.

There are no area exception rents for HCVP or S+C tenant-based at this time.

FAMILY SHARE REMINDER: At the starting date of the initial HAP contract for a unit (lease-in-place or otherwise) **if the Gross Rent is higher than the appropriate payment standard**, the family share cannot be greater than 40% of the family's adjusted monthly income. If the family is recontracting in the **exact same** unit as the old HAP contract, the family share can exceed 40%. This is a statutory and regulatory requirement. There are absolutely no exceptions and HUD headquarters (D.C.) cannot grant a waiver on this matter.

Family Share is Gross Rent minus the HAP. [24 CFR 982.515(a)]

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VPS-hop 10-2006

TENANT-BASED PROGRAM PAYMENT STANDARDS

EFFECTIVE May 1, 2007
Reexaminations August 1, 2007 (Earlier if BR size is changed)

Payment Standards are set at 108% of the FY 2007 FMR.

A **unit** exception is available at 110% or 120% of the FY 2007 **40th** percentile rents for a reasonable accommodation for a family containing a person with a disability.

The disability must be verified in writing by a physician or medical provider and the unit must provide an accommodation required by the medical condition.

Bedroom Size	5/1/2007 Payment Standard [VA7]	110% of 40 th percentile [E07]	120% of 40 th percentile [H07]
Mobile H. Space [all sizes = MN7]	\$543	ONLY for a Reasonable Accommodation	ONLY for a Reasonable Accommodation
SRO	\$682	\$696	\$759
0	\$910	\$927	\$1,011
1	\$1,097	\$1,117	\$1,219
2	\$1,370	\$1,395	\$1,522
3	\$1,840	\$1,874	\$2,044
4	\$2,225	\$2,256	\$2,461
5	\$2,547	\$2,593	\$2,829
6	\$2,880	\$2,932	\$3,199

Regardless of its location, or whether the unit is providing a reasonable accommodation, the unit's rent can **never** be higher than the comparable rents determined by the Housing Authority.

There are no area exception rents for HCVP or S+C tenant-based at this time.

FAMILY SHARE REMINDER: At the starting date of the initial HAP contract for a unit (lease-in-place or otherwise) **if the Gross Rent is higher than the appropriate payment standard**, the family share cannot be greater than 40% of the family's adjusted monthly income. If the family is recontracting in the **exact same** unit as the old HAP contract, the family share can exceed 40%. This is a statutory and regulatory requirement. There are absolutely no exceptions and HUD headquarters (D.C.) cannot grant a waiver on this matter.

Family Share is Gross Rent minus the HAP. [24 CFR 982.515(a)]

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VPS-hop05-2007

HOPWA CERTIFICATE PROGRAM

HOPWA RENT STANDARDS

EFFECTIVE MAY 1, 2007

Reexaminations August 1, 2007 (Earlier if BR size is changed)

Rent Standards are set at 108% of the FY 2007 FMR.

A **unit** exception is available at 110% or 120% of the FY 2007 **40th** percentile rents for a reasonable accommodation for a family containing a person with a disability.

The disability must be verified in writing by a physician or medical provider and the unit must provide an accommodation required by the medical condition.

Bedroom Size	FY 2007 Payment Standard [VA7]	110% of 40 th percentile [E07]	120% of 40 th percentile [H07]
Mobile H. Space [all sizes = MN7]	\$543	ONLY for a Reasonable Accommodation	ONLY for a Reasonable Accommodation
SRO	\$682	\$696	\$759
0	\$910	\$927	\$1,011
1	\$1,097	\$1,117	\$1,219
2	\$1,370	\$1,395	\$1,522
3	\$1,840	\$1,874	\$2,044
4	\$2,225	\$2,256	\$2,461
5	\$2,547	\$2,593	\$2,829
6	\$2,880	\$2,932	\$3,199

Regardless of its location, or whether the unit is providing a reasonable accommodation, the unit's rent can **never** be higher than the comparable rents determined by the Housing Authority.

There are no area exception rents for HCVP or S+C tenant-based at this time.

FAMILY SHARE REMINDER: At the starting date of the initial HAP contract for a unit (lease-in-place or otherwise) **if the Gross Rent is higher than the appropriate payment standard**, the family share cannot be greater than 40% of the family's adjusted monthly income. If the family is recontracting in the **exact same** unit as the old HAP contract, the family share can exceed 40%. This is a statutory and regulatory requirement. There are absolutely no exceptions and HUD headquarters (D.C.) cannot grant a waiver on this matter.

Family Share is Gross Rent minus the HAP. [24 CFR 982.515(a)]

FOR OFFICE USE ONLY

VPS-hop 05-2007

TENANT-BASED PROGRAM

PAYMENT STANDARDS

EFFECTIVE October 1, 2007

Reexaminations November 1, 2007 (Earlier if BR size is changed)

Payment Standards are set at 108% of the FY 2008 FMR.

A **unit** exception is available at 110% or 120% of the FY 2008 **40th** percentile rents for a reasonable accommodation for a family containing a person with a disability.

The disability must be verified in writing by a physician or medical provider and the unit must provide an accommodation required by the medical condition.

Bedroom Size	10/1/2007 Payment Standard [V08]	110% of 40 th percentile [E08]	120% of 40 th percentile [H08]
Mobile H. Space [all sizes = MN8]	\$579	ONLY for a Reasonable Accommodation	ONLY for a Reasonable Accommodation
SRO	\$698	\$711	\$776
0	\$932	\$949	\$1,035
1	\$1,124	\$1,145	\$1,249
2	\$1,404	\$1,430	\$1,560
3	\$1,885	\$1,920	\$2,095
4	\$2,269	\$2,331	\$2,521
5	\$2,609	\$2,657	\$2,899
6	\$2,949	\$3,004	\$3,277

Regardless of its location, or whether the unit is providing a reasonable accommodation, the unit's rent can **never** be higher than the comparable rents determined by the Housing Authority.

There are no area exception rents for HCVP or S+C tenant-based at this time.

FAMILY SHARE REMINDER: At the starting date of the initial HAP contract for a unit (lease-in-place or otherwise) **if the Gross Rent is higher than the appropriate payment standard**, the family share cannot be greater than 40% of the family's adjusted monthly income. If the family is recontracting in the **exact same** unit as the old HAP contract, the family share can exceed 40%. This is a statutory and regulatory requirement. There are absolutely no exceptions and HUD headquarters (D.C.) cannot grant a waiver on this matter.

Family Share is Gross Rent minus the HAP. [24 CFR 982.515(a)]

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VPS-hop10-2007

HOPWA CERTIFICATE PROGRAM

HOPWA RENT STANDARDS

EFFECTIVE OCTOBER 1, 2007

Reexaminations November 1, 2007 (Earlier if BR size is changed)

Rent Standards are set at 108% of the FY 2008 FMR.

A **unit** exception is available at 110% or 120% of the FY 2008 **40th** percentile rents for a reasonable accommodation for a family containing a person with a disability.

The disability must be verified in writing by a physician or medical provider and the unit must provide an accommodation required by the medical condition.

Bedroom Size	10/1/2007 Rent Standard [V08]	110% of 40 th percentile [E08]	120% of 40 th percentile [H08]
Mobile H. Space [all sizes = MN8]	\$579	ONLY for a Reasonable Accommodation	ONLY for a Reasonable Accommodation
SRO	\$698	\$711	\$776
0	\$932	\$949	\$1,035
1	\$1,124	\$1,145	\$1,249
2	\$1,404	\$1,430	\$1,560
3	\$1,885	\$1,920	\$2,095
4	\$2,269	\$2,331	\$2,521
5	\$2,609	\$2,657	\$2,899
6	\$2,949	\$3,004	\$3,277

Regardless of its location, or whether the unit is providing a reasonable accommodation, the unit's rent can **never** be higher than the comparable rents determined by the Housing Authority.

There are no area exception rents for HCVP or S+C tenant-based at this time.

FAMILY SHARE REMINDER: At the starting date of the initial HAP contract for a unit (lease-in-place or otherwise) **if the Gross Rent is higher than the appropriate payment standard**, the family share cannot be greater than 40% of the family's adjusted monthly income. If the family is recontracting in the **exact same** unit as the old HAP contract, the family share can exceed 40%. This is a statutory and regulatory requirement. There are absolutely no exceptions and HUD headquarters (D.C.) cannot grant a waiver on this matter.

Family Share is Gross Rent minus the HAP. [24 CFR 982.515(a)]

FOR OFFICE USE ONLY

VPS-hop 10-2007

TENANT-BASED PROGRAM

PAYMENT STANDARDS

EFFECTIVE December 1, 2008

Payment Standards are set at 108% of the FY 2009 FMR.

A **unit** exception of 110% of the FY 2009 **40th** percentile may be authorized by an Assistant Manager or higher as a reasonable accommodation for a family containing a person with a disability. Exceptions above 110% up to 120% must have the prior written approval of the HUD Los Angeles Office. Exceptions above 120% must have the prior written approval of HUD Headquarters (Washington D.C.)

The disability must be verified in writing by a physician or medical provider and the unit must provide an accommodation required by the medical condition.

Bedroom Size	12/1/2008 Payment Standard [2008-12/01 Contr 12/01 Reex]	110% of 40 th percentile [Manual Override]	120% of 40 th percentile [Manual Override]
Mobile H. Space [Manual Override]	\$612 [Manual Override]	ONLY for a Reasonable Accommodation	For staff information only - when requesting a Reasonable Accommodation
SRO	\$732	\$745	\$813
0	\$976	\$994	\$1,084
1	\$1,177	\$1,199	\$1,308
2	\$1,469	\$1,497	\$1,633
3	\$1,974	\$2,010	\$2,193
4	\$2,374	\$2,418	\$2,638
5	\$2,730	\$2,780	\$3,033
6	\$3,086	\$3,143	\$3,429

Regardless of its location, or whether the unit is providing a reasonable accommodation, the unit's rent can **never** be higher than the comparable rents determined by the Housing Authority.

There are no area exception rents for HCVP or S+C tenant-based at this time.

FAMILY SHARE REMINDER: At the starting date of the initial HAP contract for a unit (lease-in-place or otherwise) **if the Gross Rent is higher than the appropriate payment standard**, the family share cannot be greater than 40% of the family's adjusted monthly income. If the family is recontracting in the **exact same** unit as the old HAP contract, the family share can exceed 40%. This is a statutory and regulatory requirement. There are absolutely no exceptions and HUD headquarters (D.C.) cannot grant a waiver on this matter.

Family Share is Gross Rent minus the HAP. [24 CFR 982.515(a)]

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(First published table using the Elite business system)

VPS-hop 12-2008

HOPWA CERTIFICATE PROGRAM

HOPWA RENT STANDARDS

EFFECTIVE December 1, 2008

Rent Standards are set at 108% of the FY 2009 FMR.

A **unit** exception of 110% of the FY 2009 **40th** percentile may be authorized by an Assistant Manager or higher as a reasonable accommodation for a family containing a person with a disability. Exceptions above 110% up to 120% must have the prior written approval of the HUD Los Angeles Office. Exceptions above 120% must have the prior written approval of HUD Headquarters (Washington D.C.)

The disability must be verified in writing by a physician or medical provider and the unit must provide an accommodation required by the medical condition.

Bedroom Size	12/1/2008 Rent Standard [2008-12/01 Contr 12/01 Reex]	110% of 40th percentile [Manual Override]	120% of 40th percentile [Manual Override]
Mobile H. Space [Manual Override]	\$612 [Manual Override]	ONLY for a Reasonable Accommodation	For staff information only - when requesting a Reasonable Accommodation
SRO	\$732	\$745	\$813
0	\$976	\$994	\$1,084
1	\$1,177	\$1,199	\$1,308
2	\$1,469	\$1,497	\$1,633
3	\$1,974	\$2,010	\$2,193
4	\$2,374	\$2,418	\$2,638
5	\$2,730	\$2,780	\$3,033
6	\$3,086	\$3,143	\$3,429

Regardless of its location, or whether the unit is providing a reasonable accommodation, the unit's rent can **never** be higher than the comparable rents determined by the Housing Authority.

There are no area exception rents for HCVP or S+C tenant-based at this time.

FAMILY SHARE REMINDER: At the starting date of the initial HAP contract for a unit (lease-in-place or otherwise) **if the Gross Rent is higher than the appropriate payment standard**, the family share cannot be greater than 40% of the family's adjusted monthly income. If the family is recontracting in the **exact same** unit as the old HAP contract, the family share can exceed 40%. This is a statutory and regulatory requirement. There are absolutely no exceptions and HUD headquarters (D.C.) cannot grant a waiver on this matter.

Family Share is Gross Rent minus the HAP. [24 CFR 982.515(a)]

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VPS-hop 12-2008

TENANT-BASED PROGRAM

PAYMENT STANDARDS

EFFECTIVE December 1, 2009

Payment Standards are set at 96% of the FY 2010 FMR

A **unit** exception of 110% of the FY 2010 **40th** percentile may be authorized by an Assistant Manager or higher as a reasonable accommodation for a family containing a person with a disability. Exceptions above 110% up to 120% must have the prior written approval of the HUD Los Angeles Office. Exceptions above 120% must have the prior written approval of HUD Headquarters (Washington D.C.)

The disability must be verified in writing by a physician or medical provider and the unit must provide an accommodation required by the medical condition.

Bedroom Size	12/1/2009 Payment Standard [2009-12/1 Contr 2010-02/01 Reex] ²⁰	110% of 40 th percentile [Manual Override]	120% of 40 th percentile [Manual Override]
Mobile H. Space [Manual Override]	\$640 [Manual Override]	ONLY for a Reasonable Accommodation	For staff information only - when requesting a Reasonable Accommodation
SRO	\$678	\$777	\$848
0	\$905	\$1,037	\$1,131
1	\$1,091	\$1,250	\$1,364
2	\$1,363	\$1,562	\$1,704
3	\$1,830	\$2,097	\$2,288
4	\$2,203	\$2,524	\$2,754
5	\$2,533	\$2,902	\$3,166
6	\$2,863	\$3,281	\$3,579

Regardless of its location, or whether the unit is providing a reasonable accommodation, the unit's rent can **never** be higher than the comparable rents determined by the Housing Authority.

There are no area exception rents for HCVP or S+C tenant-based at this time.

FAMILY SHARE REMINDER: At the starting date of the initial HAP contract for a unit (lease-in-place or otherwise) **if the Gross Rent is higher than the appropriate payment standard**, the family share cannot be greater than 40% of the family's adjusted monthly income. If the family is recontracting in the **exact same** unit as the old HAP contract, the family share can exceed 40%. This is a statutory and regulatory requirement. There are absolutely no exceptions and HUD headquarters (D.C.) cannot grant a waiver on this matter.

Family Share is Gross Rent minus the HAP. [24 CFR 982.515(a)]

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VPS-hop 12-2009

²⁰ Payment Standards set at 96% of FY2010 FMR. Effective December 1, 2009 for vouchers issued for initial contracting and recontracting. For continuing participants, the effective date is February 1, 2010, however the lower VPS will not be used to calculate the HAP until the second annual reexamination which follows the decrease.

HOPWA CERTIFICATE PROGRAM

HOPWA RENT STANDARDS

EFFECTIVE December 1, 2009

Rent Standards are set at 96% of the FY 2010 FMR.

A **unit** exception of 110% of the FY 2010 **40th** percentile may be authorized by an Assistant Manager or higher as a reasonable accommodation for a family containing a person with a disability. Exceptions above 110% up to 120% must have the prior written approval of the HUD Los Angeles Office. Exceptions above 120% must have the prior written approval of HUD Headquarters (Washington D.C.)

The disability must be verified in writing by a physician or medical provider and the unit must provide an accommodation required by the medical condition.

Bedroom Size	12/1/2009 Rent Standard [2009-12/1 Contr 2010-02/01 Reex] ²¹	110% of 40 th percentile [Manual Override]	120% of 40 th percentile [Manual Override]
Mobile H. Space [Manual Override]	\$640 [Manual Override]	ONLY for a Reasonable Accommodation	For staff information only - when requesting a Reasonable Accommodation
SRO	\$678	\$777	\$848
0	\$905	\$1,037	\$1,131
1	\$1,091	\$1,250	\$1,364
2	\$1,363	\$1,562	\$1,704
3	\$1,830	\$2,097	\$2,288
4	\$2,203	\$2,524	\$2,754
5	\$2,533	\$2,902	\$3,166
6	\$2,863	\$3,281	\$3,579

Regardless of its location, or whether the unit is providing a reasonable accommodation, the unit's rent can **never** be higher than the comparable rents determined by the Housing Authority.

There are no area exception rents for HCVP or S+C tenant-based at this time.

FAMILY SHARE REMINDER: At the starting date of the initial HAP contract for a unit (lease-in-place or otherwise) **if the Gross Rent is higher than the appropriate payment standard**, the family share cannot be greater than 40% of the family's adjusted monthly income. If the family is recontracting in the **exact same** unit as the old HAP contract, the family share can exceed 40%. This is a statutory and regulatory requirement. There are absolutely no exceptions and HUD headquarters (D.C.) cannot grant a waiver on this matter.

Family Share is Gross Rent minus the HAP. [24 CFR 982.515(a)]

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VPS-hop 12-2009

²¹ Payment Standards set at 96% of FY2010 FMR. Effective December 1, 2009 for vouchers issued for initial contracting and recontracting. For continuing participants, the effective date is February 1, 2010, however the lower VPS will not be used to calculate the HAP until the second annual reexamination which follows the decrease.

TENANT-BASED PROGRAM

PAYMENT STANDARDS

EFFECTIVE December 1, 2010

A **unit** exception of 110% of the FY2011 **40th** percentile may be authorized by a Manager or higher as a reasonable accommodation for a family containing a person with a disability. Exceptions above 110% up to 120% must have the prior written approval of the HUD Los Angeles Office. Exceptions above 120% must have the prior written approval of HUD Headquarters (Washington D.C.)

The disability must be verified in writing by a physician or medical provider and the unit must provide an accommodation required by the medical condition.

Bedroom Size	12/1/2010 Payment Standard [2010-12/01 Contr 2011-2/01 Reex] ²²	110% of 40 th percentile [Manual Override]	120% of 40th percentile [Manual Override]
Mobile H. Space [Manual Override]	\$648 [Manual Override]	ONLY for a Reasonable Accommodation	For staff information only - when requesting a Reasonable Accommodation
SRO	\$732	\$802	\$875
0	\$976	\$1,070	\$1,167
1	\$1,177	\$1,290	\$1,407
2	\$1,469	\$1,611	\$1,758
3	\$1,974	\$2,163	\$2,360
4	\$2,374	\$2,603	\$2,840
5	\$2,730	\$2,994	\$3,266
6	\$3,086	\$3,384	\$3,692

Regardless of its location, or whether the unit is providing a reasonable accommodation, the unit's rent can **never** be higher than the comparable rents determined by the Housing Authority.

FAMILY SHARE REMINDER: At the starting date of the initial HAP contract for a unit (lease-in-place or otherwise) **if the Gross Rent is higher than the appropriate payment standard**, the family share cannot be greater than 40% of the family's adjusted monthly income. If the family is recontracting in the **exact same** unit as the old HAP contract, the family share can exceed 40%. This is a statutory and regulatory requirement. There are absolutely no exceptions and HUD headquarters (D.C.) cannot grant a waiver on this matter. **Family Share is Gross Rent minus the HAP.** [24 CFR 982.515(a)]

FOR OFFICE USE ONLY

VPS-hop 12-2010

²² Payment Standards set at 100.3% of FY2011 FMR. Effective December 1, 2010 for vouchers issued for initial contracting and recontracting. For continuing participants, the effective date is February 1, 2011.

HOPWA CERTIFICATE PROGRAM

HOPWA RENT STANDARDS

EFFECTIVE December 1, 2010

A **unit** exception of 110% of the FY2011 **40th** percentile may be authorized by a Manager or higher as a reasonable accommodation for a family containing a person with a disability. Exceptions above 110% up to 120% must have the prior written approval of the HUD Los Angeles Office. Exceptions above 120% must have the prior written approval of HUD Headquarters (Washington D.C.)

The disability must be verified in writing by a physician or medical provider and the unit must provide an accommodation required by the medical condition.

Bedroom Size	12/1/2010 Payment Standard [2010-12/01 Contr 2011-2/01 Reex] ²³	110% of 40 th percentile [Manual Override]	120% of 40th percentile [Manual Override]
Mobile H. Space [Manual Override]	\$648 [Manual Override]	ONLY for a Reasonable Accommodation	For staff information only - when requesting a Reasonable Accommodation
SRO	\$732	\$802	\$875
0	\$976	\$1,070	\$1,167
1	\$1,177	\$1,290	\$1,407
2	\$1,469	\$1,611	\$1,758
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4	\$2,374	\$2,603	\$2,840
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FAMILY SHARE REMINDER: At the starting date of the initial HAP contract for a unit (lease-in-place or otherwise) **if the Gross Rent is higher than the appropriate payment standard**, the family share cannot be greater than 40% of the family's adjusted monthly income. If the family is recontracting in the **exact same** unit as the old HAP contract, the family share can exceed 40%. This is a statutory and regulatory requirement. There are absolutely no exceptions and HUD headquarters (D.C.) cannot grant a waiver on this matter. **Family Share is Gross Rent minus the HAP.** [24 CFR 982.515(a)]

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VPS-hop 12-2010

²³ Rent Standards set at 100.3% of FY2011 FMR. Effective December 1, 2010 for vouchers issued for initial contracting and recontracting. For continuing participants, the effective date is February 1, 2011.

TENANT-BASED PROGRAM

PAYMENT STANDARDS

EFFECTIVE January 1, 2012

Payment Standards are set between 101.5% and 101.6% of the FY2012 FMR

A **unit** exception of 110% of the FY2012 **40th** percentile may be authorized by a Manager or higher as a reasonable accommodation for a family containing a person with a disability. Exceptions above 110% up to 120% must have the prior written approval of the HUD Los Angeles Office. Exceptions above 120% must have the prior written approval of HUD Headquarters (Washington D.C.)

The disability must be verified in writing by a physician or medical provider and the unit must provide an accommodation required by the medical condition.

Bedroom Size	1/1/2012 Payment Standard <small>[2012-01/01 Contr 2012-01/01 Reex]</small>	110% of 40 th percentile [Manual Override]	120% of 40th percentile [Manual Override]
Mobile H. Space [Manual Override]	\$651 [Manual Override]	ONLY for a Reasonable Accommodation	For staff information only - when requesting a Reasonable Accommodation
SRO	\$732	\$793	\$865
0	\$976	\$1,057	\$1,153
1	\$1,177	\$1,275	\$1,391
2	\$1,469	\$1,592	\$1,736
3	\$1,974	\$2,137	\$2,332
4	\$2,374	\$2,572	\$2,806
5	\$2,730	\$2,958	\$3,226
6	\$3,086	\$3,343	\$3,647

Regardless of its location, or whether the unit is providing a reasonable accommodation, the unit's rent can **never** be higher than the comparable rents determined by the Housing Authority.

FAMILY SHARE REMINDER: At the starting date of the initial HAP contract for a unit (lease-in-place or otherwise) **if the Gross Rent is higher than the appropriate payment standard**, the family share cannot be greater than 40% of the family's adjusted monthly income. If the family is recontracting in the **exact same** unit as the old HAP contract, the family share can exceed 40%. This is a statutory and regulatory requirement. There are absolutely no exceptions and HUD headquarters (D.C.) cannot grant a waiver on this matter. **Family Share is Gross Rent minus the HAP.** [24 CFR 982.515(a)]

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VPS-hop 01-2012

HOPWA CERTIFICATE PROGRAM

HOPWA RENT STANDARDS

EFFECTIVE January 1, 2012

Rent Standards are set between 101.5% and 101.6% of the FY2012 FMR

A **unit** exception of 110% of the FY2012 **40th** percentile may be authorized by a Manager or higher as a reasonable accommodation for a family containing a person with a disability. Exceptions above 110% up to 120% must have the prior written approval of the HUD Los Angeles Office. Exceptions above 120% must have the prior written approval of HUD Headquarters (Washington D.C.)

The disability must be verified in writing by a physician or medical provider and the unit must provide an accommodation required by the medical condition.

Bedroom Size	1/1/2012 Payment Standard <small>[2012-01/01 Contr 2012-01/01 Reex]</small>	110% of 40 th percentile [Manual Override]	120% of 40th percentile [Manual Override]
Mobile H. Space [Manual Override]	\$651 [Manual Override]	ONLY for a Reasonable Accommodation	For staff information only - when requesting a Reasonable Accommodation
SRO	\$732	\$793	\$865
0	\$976	\$1,057	\$1,153
1	\$1,177	\$1,275	\$1,391
2	\$1,469	\$1,592	\$1,736
3	\$1,974	\$2,137	\$2,332
4	\$2,374	\$2,572	\$2,806
5	\$2,730	\$2,958	\$3,226
6	\$3,086	\$3,343	\$3,647

Regardless of its location, or whether the unit is providing a reasonable accommodation, the unit's rent can **never** be higher than the comparable rents determined by the Housing Authority.

FAMILY SHARE REMINDER: At the starting date of the initial HAP contract for a unit (lease-in-place or otherwise) **if the Gross Rent is higher than the appropriate payment standard**, the family share cannot be greater than 40% of the family's adjusted monthly income. If the family is recontracting in the **exact same** unit as the old HAP contract, the family share can exceed 40%. This is a statutory and regulatory requirement. There are absolutely no exceptions and HUD headquarters (D.C.) cannot grant a waiver on this matter. **Family Share is Gross Rent minus the HAP.** [24 CFR 982.515(a)]

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VPS-hop 01-2012

SECTION 8 VOUCHER

PAYMENT STANDARDS Effective December 1, 2012

Payment Standards are set between 100.9% and 108.9% of the FY2013 FMR

A **unit** exception of 110% of the FY2013 **40th** percentile may be authorized by a Manager or higher as a reasonable accommodation for a family containing a person with a disability. Exceptions above 110% up to 120% must have the prior written approval of the HUD Los Angeles Office. Exceptions above 120% must have the prior written approval of HUD Headquarters (Washington D.C.)

The disability must be verified in writing by a physician or medical provider and the unit must provide an accommodation required by the medical condition.

Bedroom Size	12/1/2012 Payment Standard <small>(2012-12/01 Contracts 2013-01/01 Reexam)²⁴</small>	110% of 40 th percentile (Manual Override)	120% of 40 th percentile (Manual Override)
Mobile H. Space (Manual Override)	\$660 (Manual Override)	ONLY for a Reasonable Accommodation	For staff information only - when requesting a Reasonable Accommodation
SRO	\$ 719	\$751	\$819
0	\$ 958	\$1,002	\$1,093
1	\$ 1,156	\$1,211	\$1,321
2	\$ 1,443	\$1,563	\$1,705
3	\$ 1,939	\$2,113	\$2,305
4	\$ 2,331	\$2,354	\$2,568
5	\$ 2,681	\$2,707	\$2,953
6	\$ 3,031	\$3,060	\$3,338

Regardless of its location, or whether the unit is providing a reasonable accommodation, the unit's rent can **never** be higher than the comparable rents determined by the Housing Authority.

FAMILY SHARE REMINDER: At the starting date of the initial HAP contract for a unit (lease-in-place or otherwise) **if the Gross Rent is higher than the appropriate payment standard**, the family share cannot be greater than 40% of the family's adjusted monthly income. If the family is recontracting in the **exact same** unit as the old HAP contract, the family share can exceed 40%. This is a statutory and regulatory requirement. There are absolutely no exceptions and HUD headquarters (D.C.) cannot grant a waiver on this matter. **Family Share is Gross Rent minus the HAP.** [24 CFR 982.515(a)]

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²⁴ Payment Standards set between 100.9% and 108.9% of the FY2013 Final Fair Market Rents (FMR). Effective December 1, 2012 for vouchers issued for initial contracting and recontracting. For continuing participants, the effective date is January 1, 2013, however the lower VPS will not be used to calculate the HAP until the second annual reexamination which follows the decrease if there is no change on the voucher bedroom size.

SECTION 8 VOUCHER

PAYMENT STANDARDS

Effective July 1, 2013²⁵

A **unit** exception of 110% of the FY2013 **40th** percentile may be authorized by a Manager or higher as a reasonable accommodation for a family containing a person with a disability. Exceptions above 110% up to 120% must have the prior written approval of the HUD Los Angeles Office. Exceptions above 120% must have the prior written approval of HUD Headquarters (Washington D.C.)

The disability must be verified in writing by a physician or medical provider and the unit must provide an accommodation required by the medical condition.

Bedroom Size	7/1/2013 Payment Standard	110% of 40 th percentile (Manual Override)	120% of 40 th percentile (Manual Override)
Mobile H. Space (Manual Override)	\$660 (Manual Override)	ONLY for a Reasonable Accommodation	For staff information only - when requesting a Reasonable Accommodation
SRO	\$ 683	\$751	\$819
0	\$ 911	\$1,002	\$1,093
1	\$ 1,046	\$1,211	\$1,321
2	\$ 1,350	\$1,563	\$1,705
3	\$ 1,825	\$2,113	\$2,305
4	\$ 2,140	\$2,354	\$2,568
5	\$ 2,461	\$2,707	\$2,953
6	\$ 2,782	\$3,060	\$3,338

Regardless of its location, or whether the unit is providing a reasonable accommodation, the unit's rent can **never** be higher than the comparable rents determined by the Housing Authority.

FAMILY SHARE REMINDER: At the starting date of the initial HAP contract for a unit (lease-in-place or otherwise) **if the Gross Rent is higher than the appropriate payment standard**, the family share cannot be greater than 40% of the family's adjusted monthly income. If the family is recontracting in the **exact same** unit as the old HAP contract, the family share can exceed 40%. This is a statutory and regulatory requirement. There are absolutely no exceptions and HUD headquarters (D.C.) cannot grant a waiver on this matter. **Family Share is Gross Rent minus the HAP.** [24 CFR 982.515(a)]

FOR OFFICE USE ONLY

²⁵ Payment Standards are set between 95% and 100% of the FY2013 Final Fair Market Rents (FMR). Effective July 1, 2013 for vouchers issued for initial contracting and recontracting. For continuing participants the lower VPS will not be used to calculate the HAP until the second annual reexamination which follows the decrease if there is no change on the voucher bedroom size.

SECTION 8 VOUCHER

PAYMENT STANDARDS Effective December 1, 2014²⁶

A **unit** exception of 110% of the FY2015 **40th** percentile may be authorized by a Manager or higher as a reasonable accommodation for a family containing a person with a disability. Exceptions above 120% must have the prior written approval of HUD Headquarters (Washington D.C.)

The disability must be verified in writing by a provider/worker and the unit must provide an accommodation required by the medical condition.

Bedroom Size	12/1/2014 Payment Standard	110% of 40 th percentile (Manual Override)	120% of 40 th percentile (Manual Override)
Mobile H. Space (Manual Override)	\$694 (Manual Override)	ONLY for a Reasonable Accommodation	For staff information only - when requesting a Reasonable Accommodation
SRO	719	1,004	1,095
0	1,004	1,213	1,323
1	1,213	1,566	1,708
2	1,495	2,118	2,311
3	1,939	2,359	2,574
4	2,316	2,713	2,960
5	2,664	3,067	3,346
6	3,011	1,004	1,095

Regardless of its location, or whether the unit is providing a reasonable accommodation, the unit's rent can **never** be higher than the comparable rents determined by the Housing Authority.

FAMILY SHARE REMINDER: At the starting date of the initial HAP contract for a unit (lease-in-place or otherwise) **if the Gross Rent is higher than the appropriate payment standard**, the family share cannot be greater than 40% of the family's adjusted monthly income. If the family is recontracting in the **exact same** unit as the old HAP contract, the family share can exceed 40%. This is a statutory and regulatory requirement. There are absolutely no exceptions and HUD headquarters (D.C.) cannot grant a waiver on this matter. **Family Share is Gross Rent minus the HAP.** [24 CFR 982.515(a)]

FOR OFFICE USE ONLY

²⁶ Payment Standards are set between 100% and 110% of the FY2015 Final Fair Market Rents (FMR). Effective December 1, 2014 for vouchers issued for initial contracting and recontracting. For continuing participants the new VPS will effective January 1, 2015.

SECTION 8 VOUCHER

PAYMENT STANDARDS Effective December 15, 2015²⁷

A **unit** exception of 110% of the FY2016 **40th** percentile may be authorized by a Manager or higher as a reasonable accommodation for a family containing a person with a disability. Exceptions above 110% up to 120% must have the prior written approval of the HUD Los Angeles Office. Exceptions above 120% must have the prior written approval of HUD Headquarters (Washington D.C.)

The disability must be verified in writing by a physician or medical provider and the unit must provide an accommodation required by the medical condition.

Bedroom Size	Payment Standard	110% of FMR 2016 (Manual Override)	120% of FMR 2016 (Manual Override)
Mobile H. Space (Manual Override)	\$714 (Manual Override)	ONLY for a Reasonable Accommodation	For staff information only - when requesting a Reasonable Accommodation
SRO	744	781	852
0	1,041	1,041	1,136
1	1,269	1,269	1,384
2	1,564	1,639	1,788
3	2,021	2,209	2,410
4	2,404	2,449	2,672
5	2,765	2,817	3,073
6	3,126	3,184	3,474

Regardless of its location, or whether the unit is providing a reasonable accommodation, the unit's rent can **never** be higher than the comparable rents determined by the Housing Authority.

FAMILY SHARE REMINDER: At the starting date of the initial HAP contract for a unit (lease-in-place or otherwise) **if the Gross Rent is higher than the appropriate payment standard**, the family share cannot be greater than 40% of the family's adjusted monthly income. If the family is recontracting in the **exact same** unit as the old HAP contract, the family share can exceed 40%. This is a statutory and regulatory requirement. There are absolutely no exceptions and HUD headquarters (D.C.) cannot grant a waiver on this matter. **Family Share is Gross Rent minus the HAP.** [24 CFR 982.515(a)]

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²⁷ Payment Standards are set between 103% and 110% of the FY2016 Final Fair Market Rents (FMR). Effective December 15, 2015 for vouchers issued for initial contracting and recontracting. For continuing participants the VPS will be used to calculate the HAP for annual reexaminations effective March 1, 2016.

SECTION 8 VOUCHER

PAYMENT STANDARDS Effective November 1, 2016²⁸

A unit exception of 110% of the FY2017 40th percentile may be authorized by a Manager or higher as a reasonable accommodation for a family containing a person with a disability. Exceptions above 110% up to 120% must have the prior written approval of the Director of Section 8. Exceptions above 120% must have the prior written approval of HUD Los Angeles Office.

The disability must be verified in writing by a physician or medical provider and the unit must provide an accommodation required by the medical condition.

Bedroom Size	Payment Standard (2016-11-01 Contr 2017-01-01 Reexam)	110% of FMR 2017 (Manual Override)	120% of FMR 2017 (Manual Override)
Mobile H. Space (Manual Override)	\$739 (Manual Override)	ONLY for a Reasonable Accommodation	For staff information only - when requesting a Reasonable Accommodation
SRO	\$776	\$815	\$889
0	\$1,086	\$1,086	\$1,185
1	\$1,314	\$1,314	\$1,434
2	\$1,622	\$1,699	\$1,854
3	\$2,099	\$2,286	\$2,494
4	\$2,486	\$2,533	\$2,763
5	\$2,858	\$2,912	\$3,177
6	\$3,231	\$3,292	\$3,591

Regardless of its location, or whether the unit is providing a reasonable accommodation, the unit's rent can *never* be higher than the comparable rents determined by the Housing Authority.

FAMILY SHARE REMINDER: At the starting date of the initial HAP contract for a unit (lease-in-place or otherwise) **if the Gross Rent is higher than the appropriate payment standard**, the family share cannot be greater than 40% of the family's adjusted monthly income. If the family is recontracting in the *exact same* unit as the old HAP contract, the family share can exceed 40%. This is a statutory and regulatory requirement. There are absolutely no exceptions and HUD headquarters (D.C.) cannot grant a waiver on this matter. **Family Share is Gross Rent minus the HAP.** [24 CFR 982.515(a)]

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²⁸ Payment Standards are set between 101% and 110% of the FY2017 Final Fair Market Rents (FMR). Effective November 1, 2016 for vouchers issued for initial contracting and recontracting. For continuing participants the VPS will be used to calculate the HAP for annual reexaminations effective January 1, 2017.

SECTION 8 VOUCHER

PAYMENT STANDARDS Effective November 1, 2017²⁹

A unit exception above 110% up to 120% of the FY2018 40th percentile as a reasonable accommodation for a family containing a person with a disability must have the prior written approval of the Director of Section 8. Exceptions above 120% must have the prior written approval of HUD Los Angeles Office.

The disability must be verified in writing by a physician or medical provider and the unit must provide an accommodation required by the medical condition.

Bedroom Size	Payment Standard (2017-11-01 Contr 2018-02-01 Reexam)	110% of FMR 2018	120% of FMR 2018 (Manual Override)
		ONLY for a Reasonable Accommodation	For staff information only - when requesting a Reasonable Accommodation
SRO	\$880	\$880	\$960
0	\$1,173	\$1,173	\$1,280
1	\$1,412	\$1,412	\$1,540
2	\$1,829	\$1,829	\$1,995
3	\$2,454	\$2,454	\$2,677
4	\$2,713	\$2,713	\$2,960
5	\$3,120	\$3,120	\$3,404
6	\$3,527	\$3,527	\$3,848

Regardless of its location, or whether the unit is providing a reasonable accommodation, the unit's rent can *never* be higher than the comparable rents determined by the Housing Authority.

FAMILY SHARE REMINDER: At the starting date of the initial HAP contract for a unit (lease-in-place or otherwise) **if the Gross Rent is higher than the appropriate payment standard**, the family share cannot be greater than 40% of the family's adjusted monthly income. If the family is recontracting in the *exact same* unit as the old HAP contract, the family share can exceed 40%. This is a statutory and regulatory requirement. There are absolutely no exceptions and HUD headquarters (D.C.) cannot grant a waiver on this matter. **Family Share is Gross Rent minus the HAP.** [24 CFR 982.515(a)]

FOR OFFICE USE ONLY

²⁹ Payment Standards are set at 110% of the FY2018 Final Fair Market Rents (FMR). Effective November 1, 2017 for vouchers issued for initial contracting and recontracting. For continuing participants the VPS will be used to calculate the HAP for annual reexaminations effective February 1, 2017.

SECTION 8 VOUCHER

PAYMENT STANDARDS Effective October 1, 2018³⁰

A unit exception above 110% up to 120% of the FY2019 **40th** percentile as a reasonable accommodation for a family containing a person with a disability must have the prior written approval of the Director of Section 8. Exceptions above 120% must have the prior written approval of HUD Los Angeles Office.

The disability must be verified in writing by a physician or medical provider and the unit must provide an accommodation required by the medical condition.

Bedroom Size	Payment Standard (2018-10-01 Contr 2019-01-01 Reexam)	110% of FMR 2019	120% of FMR 2019 (Manual Override)
		ONLY for a Reasonable Accommodation	For staff information only - when requesting a Reasonable Accommodation
SRO	\$954	\$954	\$1,041
0	\$1,273	\$1,273	\$1,389
1	\$1,522	\$1,522	\$1,660
2	\$1,970	\$1,970	\$2,149
3	\$2,641	\$2,641	\$2,881
4	\$2,905	\$2,905	\$3,169
5	\$3,340	\$3,340	\$3,644
6	\$3,776	\$3,776	\$4,119

Regardless of its location, or whether the unit is providing a reasonable accommodation, the unit's rent can *never* be higher than the comparable rents determined by the Housing Authority.

FAMILY SHARE REMINDER: At the starting date of the initial HAP contract for a unit (lease-in-place or otherwise) **if the Gross Rent is higher than the appropriate payment standard**, the family share cannot be greater than 40% of the family's adjusted monthly income. If the family is recontracting in the *exact same* unit as the old HAP contract, the family share can exceed 40%. This is a statutory and regulatory requirement. There are absolutely no exceptions and HUD headquarters (D.C.) cannot grant a waiver on this matter. **Family Share is Gross Rent minus the HAP.** [24 CFR 982.515(a)]

FOR OFFICE USE ONLY

³⁰ Payment Standards are set at 110% of the FY2019 Final Fair Market Rents (FMR). Effective October 1, 2018 for vouchers issued for initial contracting and recontracting. For continuing participants the VPS will be used to calculate the HAP for annual reexaminations effective January 1, 2019.

SECTION 8 VOUCHER

PAYMENT STANDARDS Effective October 1, 2019³¹

A **unit** exception above 110% up to 120% of the FY2020 **40th** percentile as a reasonable accommodation for a family containing a person with a disability must have the prior written approval of the Director of Section 8. Exceptions above 120% must have the prior written approval of HUD Los Angeles Office.

The disability must be verified in writing by a physician or medical provider and the unit must provide an accommodation required by the medical condition.

Bedroom Size	Payment Standard (2019-10-01 Contr 2020-01-01 Reexam)	110% of FMR 2020	120% of FMR 2020 (Manual Override)
		ONLY for a Reasonable Accommodation	For staff information only - when requesting a Reasonable Accommodation
SRO	\$959	\$1,054	\$1,150
0	\$1,279	\$1,406	\$1,534
1	\$1,668	\$1,668	\$1,820
2	\$2,151	\$2,151	\$2,347
3	\$2,641	\$2,875	\$3,136
4	\$2,905	\$3,142	\$3,428
5	\$3,340	\$3,613	\$3,942
6	\$3,776	\$4,085	\$4,456

Regardless of its location, or whether the unit is providing a reasonable accommodation, the unit's rent can **never** be higher than the comparable rents determined by the Housing Authority.

FAMILY SHARE REMINDER: At the starting date of the initial HAP contract for a unit (lease-in-place or otherwise) **if the Gross Rent is higher than the appropriate payment standard**, the family share cannot be greater than 40% of the family's adjusted monthly income. If the family is recontracting in the **exact same** unit as the old HAP contract, the family share can exceed 40%. This is a statutory and regulatory requirement. There are absolutely no exceptions and HUD headquarters (D.C.) cannot grant a waiver on this matter. **Family Share is Gross Rent minus the HAP.** (24 CFR 982.515)

FOR OFFICE USE ONLY

³¹ Payment Standards are set at between 100% and 110% of the FY2020 Final Fair Market Rents (FMR). Effective October 1, 2019 for vouchers issued for initial contracting and recontracting. For continuing participants the VPS will be used to calculate the HAP for annual reexaminations effective January 1, 2020.

SECTION 8 VOUCHER

PAYMENT STANDARDS Effective October 1, 2020³²

A **unit** exception above 110% up to 120% of the FY2021 **40th** percentile as a reasonable accommodation for a family containing a person with a disability must have the prior written approval of the Director of Section 8. Exceptions above 120% must have the prior written approval of HUD Los Angeles Field Office.

The disability must be verified in writing by a physician or medical provider and the unit must provide an accommodation required by the medical condition.

Bedroom Size	Payment Standard (2020-10-01 Contr 2021-01-01 Reexam)	110% of FMR 2021	120% of FMR 2021 (Manual Override)
		ONLY for a Reasonable Accommodation	For staff information only - when requesting a Reasonable Accommodation
SRO	\$ 1,026	\$1,128	\$1,231
0	\$ 1,369	\$1,505	\$1,642
1	\$ 1,765	\$1,765	\$1,926
2	\$ 2,263	\$2,263	\$2,469
3	\$ 2,735	\$3,008	\$3,282
4	\$ 2,982	\$3,280	\$3,578
5	\$ 3,429	\$3,771	\$4,114
6	\$ 3,876	\$4,263	\$4,651

Regardless of its location, or whether the unit is providing a reasonable accommodation, the unit's rent can **never** be higher than the comparable rents determined by the Housing Authority.

FAMILY SHARE REMINDER: At the starting date of the initial HAP contract for a unit (lease-in-place or otherwise) **if the Gross Rent is higher than the appropriate payment standard**, the family share cannot be greater than 40% of the family's adjusted monthly income. If the family is recontracting in the **exact same** unit as the old HAP contract, the family share can exceed 40%. This is a statutory and regulatory requirement. There are absolutely no exceptions and HUD headquarters (D.C.) cannot grant a waiver on this matter. **Family Share is Gross Rent minus the HAP.** (24 CFR 982.515)

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³² Payment Standards are set at between 100% and 110% of the FY2021 Final Fair Market Rents (FMR). Effective October 1, 2020 for vouchers issued for initial contracting and recontracting. For continuing participants the VPS will be used to calculate the HAP for annual reexaminations effective January 1, 2021.

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APPENDIX 5

RESOLUTIONS AFFECTING THE SECTION 8 ADMINISTRATIVE PLAN

APPROVED BY THE HACLA

BOARD OF COMMISSIONERS

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